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IN THE MATTER OF:	
MORTGAGE COUNSELING CENTER a/k/a MORTGAGE COUNSELING CENTER OF AMERICA, INC. ("Mortgage Counseling Center")	**ORDER TO CEASE AND DESIST AND ORDER IMPOSING CIVIL PENALTY**
EDWARD ALBERT BAUMAN, JR. ("Bauman")	
(Collectively, "Respondents")	

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner ("Commissioner") is charged with the administration of Sections 36a-671 to 36a-671e, inclusive, of the Connecticut General Statutes contained in Part II of Chapter 669 of the Connecticut General Statutes, "Debt Adjusters and Debt Negotiation";

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking ("Department"), conducted an investigation of the activities of Respondents, pursuant to the authority granted by Section 36a-17(a) of the Connecticut General Statutes, to determine if they had violated, were violating or were about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner;

WHEREAS, on August 13, 2013, the Commissioner, acting pursuant to Sections 36a-52(b), 36a-50(c), 36a-671a(b), 36a-52(a) and 36a-50(a) of the Connecticut General Statutes, issued a Temporary Order to Cease and Desist, Order to Make Restitution ("Order to Make Restitution"), Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively "Order and Notice") against Respondents, which Order and Notice is incorporated herein by reference;

WHEREAS, on August 14, 2013, the Order and Notice was sent by certified mail, return receipt requested, to Mortgage Counseling Center (Certified Mail No. 70123050000216929874); and to Bauman (Certified Mail No. 70123050000216929881);

WHEREAS, the Order and Notice provided Respondents with the opportunity for a hearing, and stated that if a hearing was not requested by any Respondent within 14 days of each Respondent's receipt, the Order to Make Restitution shall remain in effect and become permanent against such Respondent and the Commissioner would issue an order that each Respondent cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars ($100,000) per violation be imposed upon each Respondent;

WHEREAS, on August 26, 2013, the Order and Notice sent to Mortgage Counseling Center was returned to the Department marked "Return to Sender – Attempted – Not Known – Unable to Forward";

WHEREAS, on September 9, 2013, the Order and Notice sent to Bauman was returned to the Department marked "Return to Sender – Refused – Unable to Forward";

WHEREAS, Section 36a-52(a) of the Connecticut General Statutes provides, in pertinent part, that "[t]he notice shall be deemed received by the person on the earlier of the date of actual receipt, or seven days after mailing or sending";

WHEREAS, Section 36a-50(a)(1) of the Connecticut General Statutes provides, in pertinent part, that "[t]he notice shall be deemed received by the person on the earlier of the date of actual receipt or seven days after mailing or sending";

WHEREAS, Section 36a-50(c) of the Connecticut General Statutes provides, in pertinent part, that "[t]he order shall be deemed received by the person on the earlier of the date of actual receipt or seven days after mailing or sending";

WHEREAS, Respondents failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Order and Notice, with respect to the activity described therein, that each Respondent's engaging in debt negotiation in this state without obtaining the required license constitutes a violation of Section 36a-671(b) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist pursuant to Sections 36a-671a(b) and 36a-52(a) of the Connecticut General Statutes, issue an order to make restitution pursuant to Sections 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, and impose a civil penalty pursuant to Sections 36a-671a(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, also in the Order and Notice, the Commissioner ordered, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that not later than thirty (30) days from the date the Order to Make Restitution becomes permanent, Respondents repay an identified Connecticut resident a specified amount plus interest, and repay to any other Connecticut resident who entered into an agreement for debt negotiation services with either Respondent on and after October 1, 2009, any fees paid by such resident plus interest, and provide evidence of such repayments to the Director of the Consumer Credit Division;

WHEREAS, the Order to Make Restitution remains in effect and became permanent against Respondents on September 5, 2013;

WHEREAS, Section 36a-52(a) of the Connecticut General Statutes provides, in pertinent part, that "[i]f the person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54";

WHEREAS, Section 36a-50(a)(2) of the Connecticut General Statutes provides, in pertinent part, that "[i]f such person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person";

WHEREAS, Section 36a-50(a)(3) of the Connecticut General Statutes provides that "[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54";

AND WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that "[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies".

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 1 through 7, inclusive, of Section II of the Order and Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 1 and 2 of Section III of the Order and Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies.
2. The Commissioner finds that Respondents have engaged in acts or conduct which, pursuant to Sections 36a-671a(b) and 36a-52(a) of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against each Respondent, and, pursuant to Sections 36a-671a(b) and 36a-50(a) of the Connecticut General Statutes, forms the basis to impose a civil penalty upon each Respondent.
3. The Commissioner finds that the Order and Notice were given in compliance with Section 36a-52(a), subsections (a) and (c) of Section 36a-50 and Section 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-671a(b), 36a-52(a) and 36a-50(a) of the Connecticut General Statutes that:

1. Mortgage Counseling Center a/k/a Mortgage Counseling Center of America, Inc., **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes;
2. A **CIVIL PENALTY** of One Hundred Thousand Dollars ($100,000) be imposed upon Mortgage Counseling Center a/k/a Mortgage Counseling Center of America, Inc., to be remitted to the Department of Banking by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed;
3. Edward Albert Bauman, Jr., **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes;
4. A **CIVIL PENALTY** of One Hundred Thousand Dollars ($100,000) be imposed upon Edward Albert Bauman, Jr., to be remitted to the Department of Banking by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed; and
5. This Order shall become effective when mailed.

Dated at Hartford, Connecticut
this 7th day of October 2013.

_____/s/_____
Howard F. Pitkin
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to each
Respondent on October 8, 2013.

Mortgage Counseling Center
a/k/a Mortgage Counseling Center
of America, Inc.
23785 El Toro Road, Suite 626
Lake Forest, California 92630

Certified Mail No. 70121010000172649296

Edward Albert Bauman, Jr.
55H Calle Aragon
Laguna Woods, California 92637

Certified Mail No. 70121010000172649302

Administrative Orders and Settlements

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