

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Carl DiAntonio, NMLS Reference No. 218391,)
and)
Horizon Lending Inc., NMLS Reference No.)
1806029.)

ORDER TO SHOW CAUSE

TO: Carl DiAntonio
1 Radcliff Court
Sicklerville, New Jersey 08081

Horizon Lending Inc.
102 Independence Blvd
Sicklerville, New Jersey 08081

THIS MATTER having been opened by the Commissioner (“Commissioner”) of the New Jersey Department of Banking and Insurance (“Department”), upon information that Carl DiAntonio and Horizon Lending Inc. d/b/a Motto Mortgage Horizon (collectively, “Respondents”), may have failed to secure and safeguard their books, accounts, records, and other documents pertaining to their mortgage origination business in violation of the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 to -81 (“Act”), and corresponding regulations, N.J.A.C. 3:15-1.1 to -12.4; and

WHEREAS, Respondent Carl DiAntonio was formerly licensed by the Department as a mortgage loan originator until his license expired on January 1, 2021; and

WHEREAS, additionally, Respondent Carl DiAntonio was formerly licensed by the Department as a qualified individual licensee until his license expired on January 1, 2021; and

WHEREAS, Respondent Horizon Lending Inc. was formerly licensed by the Department as a residential mortgage broker until its license expired on January 1, 2020; and

WHEREAS, Respondent Carl DiAntonio was the sole owner and principal of Respondent Horizon Lending Inc.; and

WHEREAS, Respondents are subject to the provisions of the Act and corresponding regulations; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), the Commissioner may revoke or suspend the license of a mortgage loan originator, or impose a penalty, if the Commissioner finds that the licensee had violated any of the provisions of this Act or any order, rule or regulation made or issued pursuant to this Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(f), the Commissioner may revoke or suspend the license of a mortgage loan originator, or impose a penalty, if the Commissioner finds that the licensee had demonstrated unworthiness, incompetence, bad faith or dishonesty in the transaction of business as a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(g), the Commissioner may revoke or suspend the license of a mortgage loan originator, or impose a penalty, if the Commissioner finds that the licensee had engaged in any other conduct which would be deemed by the Commissioner to be the cause for denial, revocation, suspension, or refusal of the license or license renewal; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(4), a license of a business licensee may be suspended, revoked, or not renewed if any officer, director, partner, or owner of the licensee has committed any act which would be cause for suspending, revoking or not renewing a license if issued to that person as an individual; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(1), the Commissioner may access and examine books, accounts, records and other documents maintained by a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(7), the Commissioner may order any remedial action with respect to a violation of the Act as the Commissioner deems necessary; and

WHEREAS, pursuant to N.J.S.A. 17:11C-71(c)(1), every licensee shall preserve all books, accounts, records and other documents pertaining to its business, and keep them available for examination by the Commissioner, for at least three years from the date of original entry, or a longer time as prescribed by the Commissioner by regulation; and

WHEREAS, pursuant to N.J.A.C. 3:15-1.3(a), licensees are required to maintain the confidentiality of any financial information in accordance with all applicable Federal and State laws and rules; and

WHEREAS, pursuant to N.J.A.C. 3:15-1.3(a)(1), licensees are required to ensure the maintenance of a consumer's right to privacy with respect to conversations and documents involving personal and financial information; and

COUNT 1

IT APPEARING that, at all relevant times, Respondents conducted mortgage origination business out of a licensed office location at 102 Independence Blvd., Sicklerville, New Jersey 08081 (“licensed location”); and

IT FURTHER APPEARING that Respondents maintained their books, accounts, records, and other documents pertaining to their mortgage origination business at their licensed location; and

IT FURTHER APPEARING that the licensed location was an office building leased by Respondents; and

IT FURTHER APPEARING that since at least November 2019, Respondents abandoned their office at the licensed location; and

IT FURTHER APPEARING that upon abandoning their office, Respondents failed to safeguard and secure their books, accounts, records, and other documents pertaining to their mortgage origination business, and Respondents left their books and records unsupervised at the licensed location; and

IT FURTHER APPEARING that, among the unsafeguarded and unsecured records were consumers' tax forms, bank statements, and other documents containing sensitive, private, and confidential information; and

IT FURTHER APPEARING that Respondents also left unsupervised and abandoned several computers containing consumers' tax forms, bank statements, and other documents containing sensitive, private, and confidential information; and

IT FURTHER APPEARING that Respondents failed to notify the Department of the abandonment of the licensed location and did not seek the Department's approval to properly surrender the license or to relocate to a new location; and

IT FURTHER APPEARING that in November 2019, Respondents stopped paying rent for the licensed location, and the landlord of the licensed location initiated eviction proceedings in the Camden County Superior Court, Special Civil Part; and

IT FURTHER APPEARING that on January 7, 2021, the Camden County Superior Court, Special Civil Part, issued an Order of Possession in favor of the landlord; and

IT FURTHER APPEARING that on February 5, 2021, the Camden County Superior Court, Special Civil Part, issued an Order of Removal in favor of the landlord ordering removal of Respondents and their property from the licensed location; and

IT FURTHER APPEARING that on March 21, 2021, the Commissioner issued an Order for Possession of Records, Order No. OCF21-03, and pursuant to that Order, the Department obtained possession of Respondents' books, accounts, records, other documents, and computers abandoned by Respondents at 102 Independence Blvd., Sicklerville, New Jersey 08081; and

IT FURTHER APPEARING that by failing to secure and safeguard their books, accounts, records, and other documents pertaining to their mortgage origination business, Respondents violated N.J.S.A. 17:11C-71(c)(1), N.J.A.C. 3:15-1.3(a), and N.J.A.C. 3:15-1.3(a)(1); and

NOW, THEREFORE, IT IS on this 20 day of July 2022,

ORDERED that Respondent Carl DiAntonio appear and show cause why his expired mortgage loan originator license and expired qualified individual license should not be revoked, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and

IT IS FURTHER ORDERED that Respondent Horizon Lending Inc. appear and show cause why its expired residential mortgage broker should not be revoked, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g), and N.J.S.A. 17:11C-70(a)(4); and

IT IS FURTHER ORDERED that Respondents appear and show cause why the Commissioner should not assess a civil penalty, jointly and severally, of not more than \$25,000.00 for each violation of the Act, pursuant to N.J.S.A. 17:11C-70(b)(4); and

IT IS FURTHER ORDERED that Respondents have the right to request an administrative hearing, to be represented by counsel or other qualified representative, at its own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER ORDERED that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be

deemed to have been waived by Respondents and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by emailing the request to Paulette Sibblies-Flagg at paulette.sibblies-flagg@dobi.nj.gov and mailing a copy to Paulette Sibblies-Flagg, OCF Investigations Unit, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey 08625. A copy of the request for a hearing shall also be emailed to Deputy Attorney General Garen Gazaryan at garen.gazaryan@law.njoag.gov and a copy mailed to P.O. Box 117, Trenton, New Jersey 08625. The request shall contain the following:

- A. Respondent's full name, address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- D. A statement requesting a hearing.



Marlene Caride
Commissioner