

STATE OF NEW JERSEY



DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING

CONSENT ORDER NO. E15-016329

IN THE MATTER OF:
MKBK EQUITY GROUP, LLC

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CONSENT ORDER TO:
CEASE AND DESIST
IMPOSE A PENALTY

BADWAY & MICHEAL KARAM
MKBK EQUITY GROUP, LLC
277 NORTH MAIN STREET
PHILLIPSBURG, NJ 08865

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RAYMOND G. LAHOUD, ESQ.
BAURKOT & BAURKOT LAW
227 SOUTH 7TH STREET
EASTON, PA 18042

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This matter having been opened to the Office of Consumer Finance within the Division of Banking of the New Jersey Department of Banking and Insurance ("Department") upon information that MKBK Equity Group, LLC ("MKBK"), provided for a New Jersey residential mortgage loan without proper licensure pursuant to the New Jersey Residential Mortgage Lending Act N.J.S.A. 17:11C-51 et. Seq. (the "Act") and its implementing rules; and

WHEREAS IT APPEARS that Licensee may have violated the following:

1) N.J.S.A. 17:11C-54 Licensing requirements a. (1)

MKBK provided a residential mortgage loan to borrower Maureen Sheridan for a property listed at 175 East Main Street, Annandale, New Jersey without first obtaining a license pursuant to the Act

2) N.J.S.A. 17:11C-70 Authority of commissioner relative to issuing licenses b. (4)

This statute empowers the Department to impose a civil penalty of up to \$25,000 for each violation of the Act.

AND WHEREAS, in the event that the Commissioner issued an administrative Order to Show Cause to MKBK addressing the above-referenced apparent violations, MKBK would be entitled to request a hearing of the matter as a contested case in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.; and

WHEREAS MKBK understands these rights and has voluntarily waived the right to a hearing on the matters addressed in this Consent Order; and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, MKBK has agreed for purposes of settlement to undertake the following actions: Immediately cease originating residential mortgage loans covered by the Act without first obtaining proper licensure with the Department; and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, Licensee has agreed for purposes of settlement to pay civil administrative penalties in the amount of \$9,000; and

WHEREAS the provisions of this Consent Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and regulations and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in bankruptcy proceedings; and

WHEREAS the parties to this Consent Order have determined that this matter is suitable for resolution upon the consent of the parties and that Licensee and the Department desire to resolve this matter without a hearing or litigation, and for further good cause appearing;

NOW, THEREFORE, IT IS on this 16th day of December 2015,

ORDERED AND AGREED as follows:

1. Immediately cease originating residential mortgage loans covered by the Act without first obtaining proper licensure with the Department.
2. Licensee shall pay civil administrative penalties in the amount of \$9,000.

Payment shall be made as follows. The amount of said penalties is due in full upon entry into this Consent Order by means of a certified check, bank check or money order made payable to the "Treasurer, State of New Jersey" to be sent to:

**Department of Banking and Insurance
Collections Bureau
P.O. Box 325
Trenton, New Jersey 08625
Attention: Jan Allen**

This Consent Order shall be duly signed by an authorized representative of the Licensee and sent along with a copy of the proof of payment as listed above to:

**Department of Banking and Insurance
Office of Consumer Finance
P.O. Box 040
Trenton, New Jersey 08625
Attention: Troy Dayton**

3. Licensee consents to the entry of this Consent Order as a final administrative order, and Licensee understands that this final administrative order may be docketed with the Clerk of the Superior Court as provided in the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.

Consented to with respect to
both form and content:

[MKBK]

By: Badway P. Karam
Print Name: BADWAY P. KARLAM
Title: MANAGING MEMBER
Date: 10-6-15

It is so ordered:

RICHARD J. BADOLATO, ACTING COMMISSIONER
NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE

By: Thomas M. Hunt
Thomas M. Hunt
Assistant Director
Office of Consumer Finance