

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS



DEPARTMENT OF BUSINESS REGULATION
DIVISION OF BANKING
1511 PONTIAC AVENUE, BUILDINGS 68, 69
CRANSTON, RI 02920

IN THE MATTER OF

SUNTRUST MORTGAGE, INC.

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: 17BK008
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CONSENT AGREEMENT

It is hereby agreed by and between the Rhode Island Department of Business Regulation (“Department”), Banking Division, and SunTrust Mortgage, Inc., Nationwide Multistate Licensing System Number (“NMLS”) ID # 2915 (hereinafter referred to as “Licensee”) as follows:

1. The Division conducted a supervisory examination (“Examination”) of the Licensee pursuant to the Division’s authority under R.I. Gen. Laws § 19-14-23, which Examination concluded on July 28, 2016 and resulted in an Examination Report.
2. The Examination Report documents certain findings by the Division raising issues as to the Licensee’s compliance with the following statutory and/or regulatory provisions:
 - A. R.I. Banking Regulation 6, Section 5(D)(3) (requiring compliance supervision of licensed operations through personal oversight by the Qualified Individual as demonstrated by his/her physical presence at the licensed location during majority

of operating hours and/or by submission and implementation of a managerial oversight plan);

- B. R.I. Banking Regulation 3, Section 5(A)(iv) (each loan file must contain fully executed copies of Disclosure Forms 1 and 2¹ with verification that the date the Forms were submitted to the loan applicant was within three business days of the application);
- C. R.I. Banking Regulation 3, Section 5(A)(v) (each loan file for an applicant that refinances a previous loan that was consummated within the prior sixty months must contain a fully executed copy of Disclosure Form 3² with verification that the date the Form was submitted to the loan applicant prior to consummation of the refinanced loan);
- D. R.I. Gen. Laws § 34-23-6 (if a licensee deems certain fees on home mortgages nonrefundable if the underlying loan is prepaid in full, the licensee must provide a notice of nonrefundability of loan fees within three days of receipt of the loan application);
- E. R.I. Gen. Laws § 19-9-3(a) (if a licensee requires a loan applicant to pay an appraisal fee, the licensee must provide notice to the applicant prior to payment of such a fee that the fee may be non-refundable if the mortgage application is not approved);

¹ Form 1 is entitled "Prohibited Acts of Lenders and Loan Brokers in R.I. Gen. Laws § 34-25.2-1 et seq.; Prohibited Acts and Practices Disclosures Regarding All Home Loans." Form 2 is entitled "Prohibited Acts of Lenders and Loan Brokers in R.I. Gen. Laws § 34-25.2-1 et seq.; Prohibited Acts and Practices Disclosures Regarding High-Cost Home Loans."

² Form 3 is entitled "Rhode Island Home Loan Protection Act Disclosure-Tangible Net Benefit" and is also referred to as the Flipping a Home Loan Disclosure Form.

- F. R.I. Gen. Laws § 19-9-5 (loan applicant's right to an opportunity to purchase an owner's title insurance policy at the usual premium rate from a title attorney if engaged by a licensee to search the title of the subject real estate) and R.I. Banking Regulation 6, Section 9(A)(2)(e) (requiring keeping a record of forms waiving such right);
- G. R.I. Gen. Laws § 19-9-6 (loan applicant's right to the selection of a title attorney or title insurance company if a licensee requires engagement of a title attorney or a policy of title insurance company) and R.I. Banking Regulation 6, Section 9(A)(2)(e)(requiring keeping a record of forms waiving such right);
- H. R.I. Banking Regulation 6, Section 9(A)(1) (requiring recordkeeping of the address of the office where the loan application was received for any licensee which maintains more than one location).
7. The Division has the authority to institute disciplinary action and penalties pursuant to R.I. Gen. Laws §§ 19-14-13 (license revocation), 19-14-15 (license suspension), and 19-14-23(f) (administrative assessment up to \$1,000 per violation), but has elected to resolve this matter by Consent Agreement as authorized by R.I. Gen. Laws § 42-35-9(d).
8. The Licensee has agreed to complete the following actions no later than thirty (30) calendar days from the execution of this Consent Agreement:
- A. Submit a satisfactory supervision compliance plan to the Division;
 - B. Create and implement policies and procedures (including employee training) ensuring all affected loan applicants are provided with all required disclosures and

that copies of required disclosures are maintained in each respective loan file to evidence receipt by the borrower in the proscribed timeframe;

C. Create and implement policies and procedures (including employee training) ensuring that it documents and maintains a record of all actions taken, from the original point of contact to the final disposition of each financing request received. Such policies and procedures must address all the minimum recordkeeping requirements of R.I. Banking Regulation 6, Section 9(A), including specifically documenting the actual office where the application was taken and documenting an applicant or borrower making a change in election or waiver of rights such as with respect to an owner's title insurance policy and other key points of contact.

9. This Agreement is entered into for the purpose of resolving the issues raised in the Examination without any admission of the facts contained in this Agreement, except for those facts deemed necessary to evidence the authority of the Department.

10. Waiver of Hearing and Appeal. By agreeing to resolve this matter through the execution of this Consent Agreement, the Licensee knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen.

Laws § 42-35-1 *et seq.*

11. Compliance; Other Laws. Compliance with the terms of this Consent Agreement does not

relieve the Licensee of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.


12. Enforcement of Consent Agreement. If the Licensee fails to comply with any term or

condition of this Consent Agreement within any applicable time period set forth herein, the Licensee will be considered in violation hereunder and the Division may take immediate and/or heightened enforcement or other action in accordance with applicable law.

SIGNATURES ON NEXT PAGES


CONSENTED AND AGREED TO BY:

The Licensee:

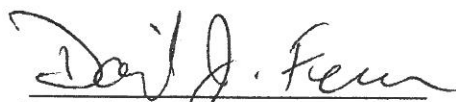

Eric Todd Chamberlain
Date: May 23, 2018

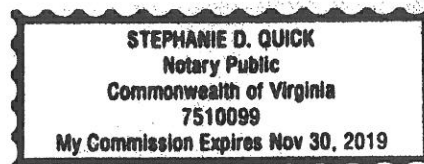
STATE OF Virginia
CITY OF Richmond

In Virginia, in said City, on the 23rd day of May,
2018, before me personally appeared Eric Todd Chamberlain, to me known and
known by me to be the Head of Mortgage, EVP of and the person executing this
instrument on behalf of SunTrust Mortgage, Inc., the party executing this instrument,
and he/she acknowledged said instrument by him/her so executed to be his/her free act and
deed in such capacity and the free act and deed of such corporation.


Notary Public Signature
7510099
Notary Number

Stephanie D. Quick
Print Notary Name
November 30, 2019
Commission Expiration Date


David J. Ferrera
Signature
Date: May 23, 2018
Counsel for Licensee



The Division:

Elizabeth Kelleher Dwyer

Signature

Date: 5-30-18

Elizabeth Kelleher Dwyer, Esq.
Superintendent of Banking and Insurance