

UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU

Administrative Proceeding

File No. 2014-CFPB-0003

In the Matter of

1st ALLIANCE LENDING, LLC

STIPULATION AND CONSENT
TO THE ISSUANCE OF A
CONSENT ORDER

The Consumer Financial Protection Bureau (Bureau) intends to initiate an administrative proceeding against 1st Alliance Lending, LLC (First Alliance) under 12 U.S.C. §§ 5563 and 5565, for its violation of Section 8 of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2607, and its implementing regulation, Regulation X, 12 C.F.R. § 1024.14 (formerly codified at 24 C.F.R. § 3500.14) (collectively, RESPA).

First Alliance, in the interest of compliance and resolution of the matter, consents to the issuance of the Consent Order to which this Stipulation and Consent to the Issuance of a Consent Order is attached (the Order), and which is incorporated herein by reference.

In consideration of the above, First Alliance agrees to the following:

Jurisdiction

1. The Bureau has jurisdiction over this matter under Sections 1053 and 1055 of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5563, 5565.

Consent

2. First Alliance agrees to the issuance of the Order and admits the findings of fact and conclusions of law.

3. First Alliance agrees that the Order shall be deemed an “order issued with the consent of the person concerned” under 12 U.S.C. § 5563(b)(4), and agrees that the Order shall become a final order, effective upon issuance, and shall be fully enforceable by the Bureau under the CFPA, 12 U.S.C. §§ 5563(d)(1), 5565.

4. First Alliance enters into this Stipulation and Consent to the Issuance of a Consent Order (Stipulation) voluntarily.

5. The Order resolves the claims asserted or which could have been asserted against First Alliance in this administrative proceeding. First Alliance acknowledges that no promises or representations have been made by the Bureau or any employee, agent, or representative of the Bureau other than those contained in this Stipulation and the accompanying Order.

6. First Alliance agrees that the facts set forth in Section IV of the Order shall be given collateral estoppel effect, without further proof, in any proceeding or litigation by the Bureau based on the Order or the Findings and Conclusions therein.

7. The terms and provisions of this Stipulation and the Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors-in-interest. Nothing

in this Stipulation or the Order, expressly or impliedly, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim under this Stipulation or the Order.

8. The Order constitutes a settlement of the administrative proceeding against First Alliance contemplated by the Bureau based on the Findings and Conclusions set forth in the Order. The Bureau releases and discharges First Alliance from all potential liability for violations that have been or might have been asserted by the Bureau based on First Alliance's conduct, as described in the Order, to the extent such practices are known to the Bureau as of the Effective Date of the Order. Notwithstanding the foregoing, the practices described in the Order may be used by the Bureau in future enforcement actions against First Alliance and its affiliates for the purpose of establishing a pattern or practice of violations or the continuation of a pattern or practice of violations or to calculate the amount of any penalty. This release shall not preclude or affect any right of the Bureau to determine and ensure compliance with the terms and provisions of the Order or to seek penalties for any violations thereof. First Alliance agrees that the Bureau may present the Order to the Bureau Director for signature and entry without further notice.

Waivers

9. First Alliance, by consenting to this Stipulation, hereby waives:
 - a. any right to service of the Order, and agrees that issuance of the Order will constitute notice to First Alliance of its terms and conditions;
 - b. any objection to the jurisdiction of the Bureau, including, without

- limitation, under Section 1053 of the CFPA and Section 8 of RESPA;
- c. the rights to all hearings under the statutory provisions under which the proceeding is to be instituted; the filing of proposed findings of fact and conclusions of law; proceedings before, and a recommended decision by, a hearing officer; all post-hearing procedures; and any other procedural right available under 12 U.S.C. § 5563 or 12 C.F.R. pt. 1081;
 - d. the right to seek any administrative or judicial review of the Order;
 - e. any claim for fees, costs, or expenses against the Bureau, or any of its agents or employees, and any other governmental entity, related in any way to this enforcement matter or the Order, whether arising under common law or under the terms of any statute, including but not limited to the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996;
 - f. any other right to challenge or contest the validity of the Order;
 - g. and provision of the Bureau's rules or other requirement of law as may be construed to prevent any Bureau employee from participating in the preparation of, or advising the Bureau Director as to, any order, opinion, finding of fact, or conclusion of law to be entered under the Stipulation;
 - h. any right to claim bias or prejudgment by the Bureau Director based on the consideration of or discussions concerning settlement of all or any part of the proceeding; and

1st ALLIANCE LENDING, LLC BY:



President, 1st ALLIANCE LENDING, LLC

Chief Corporate Counsel

2.20.14

Date