

WHEREAS, a person or entity acting as a third party loan servicer in Massachusetts must comply with the requirements of 209 Code of Massachusetts Regulations (“C.M.R.”) 18.00 *et seq.*;

WHEREAS, effective July 1, 2021, a person or entity must not directly or indirectly act as a student loan servicer in Massachusetts without first obtaining a student loan servicer license pursuant to M.G.L. chapter 93L, section 2;

WHEREAS, ECSI is, and at all relevant times has been, a foreign corporation conducting business in the Commonwealth of Massachusetts with its main office located at 1200 Cherrington Parkway, Suite 200, Moon Township, PA, 15108;

WHEREAS, according to records maintained on file with the Division, and as recorded on the Nationwide Multi-State Licensing System and Registry (“NMLS”), on or about October 10, 2016, ECSI submitted an application for a third party loan servicer registration with the Division; On or about December 29, 2016, ECSI’s application was deemed “withdrawn-application abandoned”;

WHEREAS, according to records maintained on file with the Division, and as recorded on the NMLS, ECSI submitted an application for a Massachusetts Student Loan Servicer License and Massachusetts Automatic Federal Student Loan Servicer License with the Division on or about June 28, 2021 and on or about September 12, 2022, respectively (“the Applications”);

WHEREAS, on September 20, 2022, ECSI’s Massachusetts Automatic Federal Student Loan Servicer License application was approved;

WHEREAS, the Corporation’s Student Loan Servicer License remains pending;

WHEREAS, during a review of the Applications, the Division became aware that ECSI had engaged in the business of a third party loan servicer or student loan servicer in Massachusetts without the appropriate registration and/or license; and

WHEREAS, the parties now seek to resolve by mutual agreement the matters identified above.

ORDER

NOW COME the parties in the above-captioned matter, the Division and the Corporation, and stipulate and agree as follows:

1. The Corporation shall pay an administrative penalty to the Division in the amount of five hundred thousand dollars (\$500,000.00). The penalty shall be due upon execution and shall be payable by check to the “Commonwealth of Massachusetts,” mailed to the Division of Banks, Attn: Licensing Unit, 1000 Washington Street, 10th Floor, Boston, Massachusetts 02118.
2. ECSI shall immediately cease and desist from engaging in any business activity that requires licensing or registration from the Division prior to obtaining the appropriate license or approval from the Division including, but not limited to, acting as a third party loan servicer and student loan servicer as such activity is described in M.G.L. chapter 93, section 24A and M.G.L. chapter 93L, respectively.
3. ECSI shall establish, implement, and maintain adequate internal policies and procedures to ensure that the Corporation refrains from engaging in any business activity that requires licensing or registration from the Division prior to obtaining the appropriate license or approval from the Division.
4. Nothing in this Consent Order shall be construed as permitting ECSI to violate any law, rule, regulation, or regulatory bulletin to which the Corporation is subject.

5. Failure to comply with the terms of this Consent Order may constitute grounds for formal regulatory action pursuant to applicable provisions of the General Laws of the Commonwealth of Massachusetts including, but not limited to, revocation of any and all licenses and registrations issued by the Division or denial of any applications pending with the Division.
6. This Consent Order shall become effective immediately upon the date of its issuance.
7. The provisions of this Consent Order shall be binding upon ECSI and its respective subsidiaries, officers and directors, successors and assigns, and those persons in active participation with them, directly or indirectly, acting individually or through any corporate or other entity.
8. In consideration of this Consent Order, the Division agrees not to pursue any other remedial measures, sanctions, or penalties relative to this matter unless the Division is made aware of material information that is not addressed in this Consent Order, or if ECSI fails to comply with the terms of this Consent Order.
9. The provisions of this Consent Order shall not limit, estop, or otherwise prevent any other state agency or department from taking any other action under separate authority affecting the Corporation or any of its officers and directors, or their successors or assigns.
10. The provisions of this Consent Order shall remain effective and enforceable except to the extent that, and until such time as, the Commissioner or a court of competent jurisdiction modifies, terminates, suspends, or sets aside any provision of this Consent Order.

11. In accordance with the terms of the Consent Agreement entered into by ECSI and the Commissioner, ECSI has waived all rights of appeal that it may have relative to this Consent Order or any of its provisions.
12. This Consent Order and the Consent Agreement are the complete documents representing the resolution of this matter. There are no other agreements between the Division and ECSI.

BY ORDER AND DIRECTION OF THE COMMISSIONER OF BANKS:

Dated at Boston, Massachusetts, this 19th day of May 2023.

By:

Mary L. Gallagher
Commissioner of Banks