
IN THE MATTER OF:

**IRONHORSE FUNDING LLC
NMLS # 1743763**

(“Ironhorse Funding”)

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CONSENT ORDER

WHEREAS, the Connecticut Banking Commissioner (“Commissioner”) is charged with the administration of Part III of Chapter 668, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, “Small Loan Lending and Related Activities,” and the regulations promulgated thereunder, Sections 36a-570-1 to 36a-570-17, inclusive, of the Regulations of Connecticut State Agencies;

WHEREAS, Ironhorse Funding is a Delaware limited liability company with an office located at 100 Cummings Center, Suite 233G, Beverly, Massachusetts, which is currently licensed as a sales finance company in Connecticut, and was licensed as a small loan company in Connecticut from December 16, 2019, until it surrendered such license on December 31, 2020;

WHEREAS, on October 11, 2022, Ironhorse Funding submitted an application for a small loan license on the Nationwide Multistate Licensing System and Registry (“NMLS”), which application is currently pending;

WHEREAS, as a result of an investigation conducted by the Commissioner, through the Consumer Credit Division of the Department of Banking, pursuant to Section 36a-17 of the Connecticut General Statutes, and information disclosed by Ironhorse Funding during its application process, the Commissioner alleges that between at least January 1, 2021 and the present, Ironhorse Funding made

three small loans to Connecticut borrowers which exceeded an annual percentage rate of twelve percent and received payments of principal and interest in connection with four small loans made to Connecticut borrowers following the expiration of its small loan license, in violation of subdivisions (1) and (4) of Section 36a-556(a) of the Connecticut General Statutes, respectively;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against Ironhorse Funding, including, without limitation, proceedings to issue an order to cease and desist against Ironhorse Funding pursuant to Sections 36a-570(b) and 36a-52(a) of the Connecticut General Statutes, and an order imposing a civil penalty of up to One Hundred Thousand Dollars (\$100,000) per violation upon Ironhorse Funding pursuant to Sections 36a-570(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, initiation of such enforcement proceedings would constitute a “contested case” within the meaning of Section 4-166(4) of the Connecticut General Statutes. Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, the Commissioner and Ironhorse Funding acknowledge the possible consequences of formal administrative proceedings, and Ironhorse Funding voluntarily agrees to consent to the entry of the sanctions imposed below without admitting or denying the allegation set forth herein, and solely for the purpose of obviating the need for formal administrative proceedings concerning the allegation set forth herein;

WHEREAS, the Commissioner and Ironhorse Funding now desire to resolve the matter set forth herein;

WHEREAS, Ironhorse Funding specifically assures the Commissioner that the violation described herein shall not occur in the future;

WHEREAS, Ironhorse Funding acknowledges that this Consent Order is a public record and is a reportable event for purposes of NMLS, as applicable;

WHEREAS, Ironhorse Funding acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and executes this Consent Order freely;

AND WHEREAS, Ironhorse Funding, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to a notice and an opportunity for a hearing as it pertains to the allegation set forth herein, and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Ironhorse Funding, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Ironhorse Funding shall cease and desist from making small loans to Connecticut borrowers and receiving payments of principal and interest in connection with small loans made to Connecticut borrowers without having first obtained a small loan license, in violation of Section 36a-556(a) of the Connecticut General Statutes;
2. No later than the date this Consent Order is executed by Ironhorse Funding, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Ten Thousand Dollars (\$10,000) as a civil penalty;
3. No later than the date this Consent Order is executed by Ironhorse Funding, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Four Hundred Dollars (\$400) as payment for back licensing fees; and
4. No later than the date this Consent Order is executed by Ironhorse Funding, it shall reimburse the Connecticut borrowers identified in Exhibit A, attached, in the amounts identified, which represents amounts paid by such Connecticut borrowers in excess of an annual percentage rate of 12% while not licensed as a small loan lender in Connecticut. Ironhorse Funding shall provide evidence of such repayments to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut, 06103-1800, or carmine.costa@ct.gov.

CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against Ironhorse Funding based upon the allegation set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Ironhorse Funding based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Ironhorse Funding and reflected herein is subsequently discovered to be untrue;
3. Ironhorse Funding shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis. Except as specifically provided herein, Ironhorse Funding shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects Ironhorse Funding's (i) testimonial obligations, or (ii) right to take any legal or factual position that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Ironhorse Funding and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Ironhorse Funding to apply for or obtain licenses or renewal licenses under Part III of Chapter 668, Sections 36a-555 *et seq.*, of the Connecticut General Statutes, provided that all applicable legal requirements for any such license are satisfied and the terms of this Consent Order are being followed;
5. This Consent Order shall be binding upon Ironhorse Funding and its successors and assigns;
and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 25th day of September 2023.

/s/

Jorge L. Perez
Banking Commissioner

I, Cheryl L. Cabral, state on behalf of Ironhorse Funding LLC that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Ironhorse Funding LLC; that Ironhorse Funding LLC agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Ironhorse Funding LLC voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/
Name: Cheryl Cabral
Title: Chief Administrative Officer
Ironhorse Funding LLC

State of: Massachusetts

County of: Essex

On this the 7th day of September 2023, before me, Tolina Butler, the undersigned officer, personally appeared Cheryl Cabral, who acknowledged herself to be the Chief Administrative Officer of Ironhorse Funding LLC, a member managed/manager managed limited liability company, and that she as such Chief Administrative Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by herself as Chief Administrative Officer.

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires: March 07, 2025