
*
IN THE MATTER OF: *
*
SYNAPSE CREDIT LLC d/b/a SYNAPSE *
NMLS # 1971454 *
*
(“Synapse”) *
*

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 (“Regulations”);

WHEREAS, Synapse has been licensed by the Commissioner as a small loan lender in Connecticut on the Nationwide Multistate Licensing System and Registry (“NMLS”) since September 15, 2020;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Division”) pursuant to Section 36a-17 of the 2022 Supplement to the General Statutes, has investigated the renewal application submitted by Synapse on NMLS to determine if it meets the minimum standards for renewal of its small loan license for the fiscal years ending December 31, 2020 and December 31, 2021;

WHEREAS, as a result of the investigation, on September 26, 2022, the Commissioner issued a Notice of Intent to Refuse to Renew Small Loan License and Notice of Right to Hearing (“Notice”), which Notice is incorporated herein;

WHEREAS, Synapse filed with the Commissioner certain financial statements for both fiscal years ending December 31, 2020 and December 31, 2021 that failed to meet auditing requirements;

WHEREAS, the Commissioner alleged in the Notice that Synapse failed to submit the required financial statements for retention of its license;

WHEREAS, the Commissioner asserts that the allegation made in the Notice constitutes sufficient grounds for the Commissioner to refuse to renew Synapse's small loan originator license in Connecticut pursuant to Section 36a-570(a) and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes;

WHEREAS, on September 26, 2022, the Notice was sent by electronic mail to the designated primary contact for Synapse as provided in the "contact employee" data field on NMLS, at the electronic address provided therein;

WHEREAS, on October 8, 2022, Synapse filed an Appearance and Requested for Hearing from counsel on behalf of Synapse;

WHEREAS, initiation of such enforcement proceedings would constitute a "contested case" within the meaning of Section 4-166(4) of the Connecticut General Statutes;

WHEREAS, 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 agreed settlement, unless precluded by law;

WHEREAS, both the Commissioner and Synapse acknowledge the possible consequences of formal administrative proceedings, and Synapse 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 Synapse now desire to resolve the matters set forth herein;

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

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

AND WHEREAS, Synapse, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to notice and an opportunity for 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, Synapse, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. No later than January 31, 2023, Synapse shall submit audited financial statements for the fiscal years ending December 31, 2020 and December 31, 2021, to the satisfaction of the Commissioner. In the event that Synapse fails to submit such audited financial statements by January 31, 2023, Synapse shall submit a request to surrender its license on NMLS no later than February 1, 2023. In the event that audited financial statements submitted by Synapse no later than January 31, 2023 fail to demonstrate compliance with applicable requirements of Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, including but not limited to the requirement that a minimum of fifty thousand dollars be continuously available for each licensed location, Synapse shall submit a request to surrender its license on NMLS within one week following receipt of written notice from the Commissioner to that effect;
2. Synapse shall submit annual audited financial statements within ninety days of the date of its fiscal year end of December 31, and timely submit any other documents required for the retention of its license upon request; and
3. Synapse shall cease and desist from failing to submit audited financial statements as required pursuant to Section 36a-563(a) of the Connecticut General Statutes. Synapse further agrees to promptly respond to correspondence from the Division and otherwise cooperate with the Commissioner.

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 Synapse based upon the allegations set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Synapse 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 Synapse and reflected herein is subsequently discovered to be untrue;
3. Synapse 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, Synapse 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 Synapse's (i) testimonial obligations; or (ii) right to take legal or factual 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 Synapse and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Synapse 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 Synapse and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 31st day of January 2023.

/s/

Jorge L. Perez
Banking Commissioner

I, Michael Anthony Rasic, state on behalf of Synapse Credit LLC d/b/a Synapse, 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 Synapse Credit LLC d/b/a Synapse; that Synapse Credit LLC d/b/a Synapse agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Synapse Credit LLC d/b/a Synapse 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: Michael Anthony Rasic
Title: CFO/CBO
Synapse Credit LLC d/b/a Synapse

State of: Florida

County of: Miami Dade

On this the 30th day of January 2023, before me, John Telfort, the undersigned officer, personally appeared Michael Anthony Rasic, who acknowledged himself/herself to be the CFO/CBO of Synapse Credit LLC d/b/a Synapse, a member managed/manager managed limited liability company, and that he/she as such CFO/CBO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself/herself as CFO/CBO.

In witness whereof I hereunto set my hand.

/s/
Notary Public – John Telfort
Date Commission Expires: 08/10/2025