

**IN THE MATTER OF:**

**MARYLAND COMMISSIONER OF  
FINANCIAL REGULATION**

**v.**

**BANGLADESH CHRISTIAN  
COOPERATIVE SOCIETY, LLC,**

**Respondent.**

**BEFORE THE MARYLAND**

**COMMISSIONER OF  
FINANCIAL REGULATION**

**CASE NO.: CFR-FY2022-0001**

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**CONSENT ORDER AND SETTLEMENT AGREEMENT**

This matter comes before the Maryland Commissioner of Financial Regulation (the “Commissioner” or the “Agency”) as the result of consumer complaints against the Bangladesh Christian Cooperative Society, LLC, a Maryland limited liability company and its current and prior officers and directors (collectively the “Respondent” or “BCCS”). Based upon these complaints and the subsequent investigation, the Commissioner, pursuant to his authority and in the public interest, issued a Summary Cease and Desist Order on or about August 29, 2022 (the “Summary Order”), on the grounds that Respondent conducted the business of a credit union and a consumer lender in violation of various provisions of the Annotated Code of Maryland, including but not limited to: (i) Financial Institutions Article (“FI”), §§ 6-101 *et seq*; 11-201 *et seq*; 11-301 *et seq*; and (ii) Commercial Law Article (“CL”), §§ 12-101 *et seq*; and 12-301 *et seq*. As a final resolution of this matter without a hearing and for the mutual benefit of the parties, the Agency and Respondent have agreed to enter into this Consent Order and Settlement Agreement (the “Consent Order”).

This Consent Order is entered into effective as of October 9, 2023, by and between the Agency and Respondent. The Agency and Respondent agree and stipulate as follows:

1. Upon receipt of a consumer complaint, the Agency investigated the allegations that Respondent was operating as an unlawful credit union in the State of Maryland as well as soliciting, offering, and entering into consumer loans with Maryland consumers.
2. At the conclusion of the Agency’s investigation into Respondent’s alleged activities as a credit union and a consumer lender, the Commissioner issued the Summary Order against Respondent for violation of Maryland law, including but not limited to FI §§ 6-901(a)(iii); 11-203.1; and 11-302 and CL §§ 12-114.1 and 12-302. Respondent did not request and thereby waived a hearing on the Summary Order.
3. Respondent represents and the Commissioner acknowledges that BCCS ceased all operations upon receipt of the Commissioner’s Summary Order on or about August 29, 2022.

4. Respondent denies any and all wrongdoing related to the above-referenced allegations. However, Respondent, in consultation with independent legal counsel, desires and hereby agrees to fully and finally resolve this matter, thereby avoiding the costs associated with administrative hearings and any potential appeals, by entering into this Consent Order, and in furtherance of the purposes thereof, Respondent agrees that the facts, allegations, and representations described in the Order shall be adopted and incorporated herein.

5. By entering into this Consent Order, Respondent expressly waives its right to: (a) appear before an Administrative Law Judge of the Office of Administrative Hearings for an administrative hearing to defend the charges; (b) the making of Findings of Fact and Conclusions of Law by the Administrative Law Judge; and (c) appeal from this Consent Order to a court of competent jurisdiction.

6. Having consulted with independent legal counsel regarding the negotiation and execution of this Consent Order, Respondent hereby acknowledges it is entering into this Consent Order knowingly, willingly, voluntarily, and with the advice of counsel.

7. Respondent agrees to comply with each and every one of the following terms and conditions in exchange for final resolution of this matter:

- a. BCCS shall continue to comply with terms and provisions of the Summary Order, except as modified herein. To the extent the terms and provisions of the Order conflict with or are otherwise incompatible with this Consent Order, the terms and provisions of this Consent Order shall control.
- b. Prior to receipt of the Commissioner's Summary Order, BCCS members paid in certain amounts to BCCS as either Savings Funds (funds to be held on deposit for the benefit of such members with payment of interest/dividends) or Share Funds (\$20/month to maintain ownership interests).
- c. BCCS shall liquidate and return Savings Funds and Share Funds to BCCS members as set forth in this Consent Order within 12 months from the date of this Consent Order (the "Liquidation").
- d. As of the date of this Consent Order, BCCS reports the following assets:
  - i. A deposit account at Truist Bank (account [REDACTED], hereinafter the "Operating Account"), with a balance of [REDACTED] (as of August 31, 2023);
  - ii. Loan receivables (for Collectable loans) in the approximate amount of [REDACTED] (as of August 31, 2023); and
  - iii. Four (4) rental properties, all owned free and clear by Respondent, with the following addresses (the "Rental Properties"):
    1. [REDACTED]
    2. [REDACTED]

3. [REDACTED]

4. [REDACTED]

- e. BCCS, with the approval of the Commissioner, shall establish a separate deposit account at CFG Bank, or another financial institution approved by the Commissioner (the “Expense Account”). The Expense Account will be used by BCCS to pay ordinary course expenses during the Liquidation. The Expense Account will be a restricted account that permits no deposits, other than transfers from the Operating Account (as and when authorized by the Commissioner). The Expense Account will be funded with an initial deposit from the Operating Account of [REDACTED]. BCCS may make additional requests to the Commissioner for additional disbursements from the Operating Account to the Expense Account during the Liquidation. The Expense Account may be accessed by authorized BCCS officers to pay water, utility, internet, telephone, and similar operational expenses that were incurred prior to and/or that are incurred in the ordinary course, during the Liquidation (the “Expenses”). The Commissioner will receive monthly account statements from CFG Bank (or other applicable financial institution) for the Expense Account.
- f. BCCS shall continue to collect rental payment from tenants occupying the Rental Properties during the Liquidation and deposit the same in the Operating Account. BCCS shall take ordinary course collection actions against tenants who fail to pay applicable rent or other lease charges.
- g. BCCS shall take prompt steps to sell the Rental Properties and collect proceeds in the Operating Account as detailed in this Consent Order, after giving reasonable notice to tenants occupying the same (at least 60 days’ notice). BCCS will identify a licensed Maryland real estate broker to list and sell the Rental Properties. BCCS will obtain the Commissioner’s approval before engaging such broker. BCCS will receive offers for the sale of the Rental Properties and provide the same to the Commissioner for approval. Once offers are accepted and properties are sold, the proceeds will be deposited into the Operating Account (less standard real estate commissions and transaction expenses).
- h. BCCS, with the assistance of legal counsel, communicated to BCCS members concerning the categorization of outstanding loans to members as either Collectable or Uncollectable under Maryland law. Loans in the original amount of more than \$6,000 that were originated prior to Oct. 1, 2018, and loans for which BCCS can document a commercial purpose are categorized as Collectable. All other outstanding loans are categorized as Uncollectable. The balance of outstanding Collectible Loans and Uncollectible Loans will be adjusted by BCCS as follows:
  - i. As directed by BCCS members who are borrowers in a written

consent form to have part or all of such member's Savings Funds and Share Funds internally adjusted to reduce that member's existing loan balance (for both Collectible loans and Uncollectible loans where members elect to voluntarily repay any portion thereof); and

- ii. As directed by BCCS members who are sureties for other borrowers to have part or all of such surety member's Savings Funds and Share Funds internally adjusted to reduce existing loan balances for one or more BCCS members for which each consenting member has served as surety (surety members will not pay other members' loans except to the extent such loans are reduced through the adjustment process described herein).
  - iii. After obtaining such consents and making such internal adjustments, BCCS will undertake regular collection activities concerning Collectible loans. Proceeds of Collectible loans will be deposited into the Operating Account. BCCS will deposit into the Operating Account any funds that BCCS members wish to repay concerning any Uncollectible loans (for such members who have signed a consent form confirming the status of such loans and the member's voluntary repayment wishes). Collections for Collectible loans will continue through the first to occur of: (X) the Liquidation; or (Y) any particular Collectible loan's ordinary maturity date. At the conclusion of the Liquidation, BCCS will prepare a report detailing internal adjustments and loan repayments (the "Loan Collection Report").
- i. Once all Rental Properties have been sold, loan collections have been received, and deposit/loan adjustments have been made, BCCS will report the total funds on deposit in the Operating Account and Expense Account to the Commissioner along with the Loan Collection Report and obtain approval to distribute funds to BCCS members in good standing following the below distribution waterfall (to the extent of available funds):
    - i. First to Savings Funds paid in by BCCS members, then to
    - ii. Share Funds paid in by BCCS members, then to
    - iii. Unpaid Expenses.
  - j. BCCS will further provide monthly reports to the Commissioner, as well as any other such reports as requested from and directed by the Commissioner from time to time, describing the status of the Liquidation with reasonable detail and specificity to satisfy the Commissioner (or his designee).
  - k. BCCS may conduct ordinary course actions to fulfill the terms of and in furtherance of this Consent Order without obtaining separate approval from



the Commissioner therefore.

1. BCCS further agrees to endeavor in good faith to fulfill the terms of this Consent Order on or before the date that is one (1) year from the date of Consent Order. In the event, Respondent is unable to do so, Respondent shall notify the Commissioner and request an extension of time reasonably required to fulfill any outstanding terms or provisions provided by the Consent Order, which the Commissioner may either to grant for good cause or deny.

8. In consideration of the foregoing obligations, the Agency agrees to accept this Consent Order as the full and final resolution of Case No. CFR-FY2023-0001 and agrees not to pursue an administrative enforcement action against Respondent or any of its officers based on the alleged violations cited therein, unless Respondent fails to perform its obligations under this Consent Order. The Commissioner further agrees to release and dismiss all charges in Case No. CFR-FY2023-0001, with prejudice to the refiling of same, and prior to any scheduled hearing.

9. The Agency and Respondent further acknowledges and agrees that, at all times relevant to this matter, the Commissioner possessed jurisdiction over the facts alleged in the Summary Order.

10. The Agency and Respondent further acknowledge and agree that this Consent Order is admissible and shall be binding and enforceable in a court of competent jurisdiction by the Agency should Respondent fail to perform its obligations.

11. The Agency and Respondent further acknowledge and agree that this Consent Order does not in any way relate to, impact, or otherwise affect the legal rights of, or preclude the Agency from bringing or continuing actions against persons not parties to this Consent Order. Further, this Consent Order is by and between the Commissioner and Respondent in Case No. LABOR-CFR-76-22-01260 and CFR-FY2022-0034.

12. The Agency and Respondent further acknowledge and agree that this Consent Order does not in any way prevent, preclude, or otherwise prohibit any consumer, BCCS member, or other third party from pursuing any legal right, claim, or remedy at law relating to the facts or circumstances alleged in the Summary Order or this Consent Order.

13. Respondent further acknowledges and agrees to completely release and forever discharge the Agency from any and all past, present or future claims, demands, obligations, actions, or causes of action, which Respondent now has, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way grow out of or relate to the facts or circumstances alleged in the Summary Order and/or this Consent Order. Respondent acknowledges and agrees that the release and discharge set forth above is a general release, and shall apply to the present and future agents, servants, employees, successors in interest and assigns of the Agency.

14. Respondent further acknowledges and represents that the undersigned has express and/or implied authority to execute this Consent Order on behalf of Respondent and bind Respondent to the terms, conditions, and provisions of this Consent Order.

15. The Agency and Respondent further acknowledge and agree this Consent Order shall be admissible in any court proceedings to which the Agency is a party, and shall be binding upon and run to the benefit of Respondent's present and future owners, principals, directors, officers, members, partners, managers, agents, successors, and assigns.

16. The Agency and Respondent further acknowledge and agree that any notices hereunder shall be effectively "delivered" when sent via overnight delivery or certified mail as follows:

a. To the Commissioner:

Office of Financial Regulation  
Maryland Department of Labor  
1100 N. Eutaw Street, Suite 611  
Baltimore, MD 21201  
Attn: Dana Allen, Director of Enforcement

*And*

Kevin McGivern  
Assistant Attorney General  
1100 Eutaw Street, Suite 605  
Baltimore, Maryland 21201

b. To Respondent:

Bangladesh Christian Cooperative Society, LLC  
1504 Stateside Drive  
Silver Spring, MD 20903

With a Copy To:

Christopher Rahl, Esquire  
Gordon Feinblatt, LLC  
1001 Fleet Street, Suite 700  
Baltimore, Maryland 21202

**BASED ON THE STIPULATIONS AND AGREEMENTS SET FORTH ABOVE IT IS, BY THE COMMISSIONER OF FINANCIAL REGULATION, HEREBY:**

**ORDERED** that Respondent shall adhere to all terms of this Consent Order; and it is further

**ORDERED** that, in the event Respondent violates any provision of this Consent Order, or otherwise engage in the activities which formed the basis for the allegations set forth above, the Commissioner may, at the Commissioner's discretion, bring an enforcement action against Respondent pursuant to the Commissioner's authority under applicable State law; such enforcement actions may include the issuance of an order to cease and desist, the imposition of civil money penalties, an order to provide restitution of money or property to any aggrieved persons, and/or an action for relief in the Circuit Court of Maryland; and it is further

**ORDERED** that this matter shall be resolved in accordance with the terms of this Consent Order and the same shall be reflected among the records of the Agency; and it is further

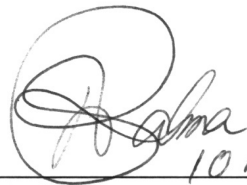
**ORDERED** that this document shall constitute a Final Order of the Maryland Commissioner of Financial Regulation and that the Commissioner may consider this Consent Order and Settlement Agreement and the facts set forth herein in connection with, and in deciding, any action or proceeding before the Commissioner; and that this Consent Order and Settlement Agreement may, if relevant, be admitted into evidence in any matter before the Commissioner, the Office of Administrative Hearings, or court of competent jurisdiction in which the Agency is a party.

**IN WITNESS WHEREOF**, this Consent Order is executed to become effective as of the day and year first above written.

**MARYLAND COMMISSIONER OF  
FINANCIAL REGULATION**

By: Antonio P. Salazar 10/20/23  
Antonio P. Salazar  
Commissioner,  
Office of Financial Regulation

**RESPONDENT**

By:  10.09.2023  
Pinto Palma  
President  
Bangladesh Christian Cooperative  
Society, LLC