

NEW YORK STATE DEPARTMENT
OF FINANCIAL SERVICES

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In the Matter of

Robert A. Castro
NMLS NO. 66194

SETTLEMENT AGREEMENT

A Licensed Mortgage Loan Originator Pursuant To
Article XII-E of the New York Banking Law

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This Settlement Agreement ("Agreement") is made and entered into by and between Robert A. Castro ("Castro") and the New York State Department of Financial Services (the "Department" and collectively with Castro, the "Settling Parties") and evidences an agreement between the Settling Parties to resolve, without a hearing, the violations of Part 420 of the Superintendent's Regulations, upon and subject to the terms and conditions hereof.

I.

RECITALS

1. Sections 44 and 598 of the New York Banking Law (the "Banking Law") provide, in part, that the Superintendent of Financial Services ("Superintendent") may, in a proceeding after notice and a hearing, require various persons to pay to the people of this State a penalty for a violation of the Banking Law and any regulation promulgated thereunder.

2. Section 420.21(g) of Part 420 of the Superintendent's Regulations provides that a fine may be imposed against a mortgage loan originator ("MLO") for any violation of the Banking Law, any regulation promulgated thereunder, any final or temporary order issued pursuant to Section 39 of the Banking Law, any condition imposed by the

Superintendent in connection with the granting of any application or request or any written agreement entered into with the Superintendent.

3. On August 6, 2010, the Department granted Castro a license, pursuant to Article 12-E of the Banking Law, to engage in regulated mortgage loan activities as an MLO.

4. Castro has been employed by Lending Resource Incorporated (“LRI”), a New York registered mortgage broker, since August 6, 2010.

5. The Department determined that Castro, while sponsored by LRI, used the domain names and websites “robertcastro.myhomehq.biz” and “fivestarloanconsultant.com” during a period including September 2015 to promote and solicit residential mortgage loans relating to properties in New York State. Samples of the websites are annexed as Exhibit A and Exhibit B respectively.

6. The Department’s review discovered that the domain name and website “robertcastro.myhomehq.biz” displayed Castro’s contact information together with LRI’s information and was used to advertise to New York State borrowers without properly identifying Castro as a MLO.

7. Furthermore, the domain name and website “fivestarloanconsultant.com” stated specifically that Castro is a mortgage broker and was used to advertise to New York State borrowers.

8. As a result of the review, the Department determined that Castro misrepresented his license status, or persuaded or induced New York State borrowers to apply for a mortgage loan under the belief that Castro is duly licensed as a mortgage broker.

9. Accordingly, Castro violated Part 420.20(a)(3) of the Superintendent's Regulations, which prohibits a MLO from misrepresenting his or her license status, or persuade or induce a borrower to apply for a mortgage loan under the belief that such MLO is duly licensed as a mortgage banker or mortgage broker pursuant to Article 12-D of the Banking Law.

II.

SETTLEMENT TERMS AND CONDITIONS

Castro is willing to resolve the violations by entering into this Agreement and freely and voluntarily waives his right to a hearing under Banking Law Sections 44 and Superintendent's Regulation Part 420.21 on such violations. In consideration of the promises and covenants set forth herein, the Settling Parties agree as follows:

1. Castro agrees to take all necessary steps to ensure his compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to his mortgage business, including, but not limited to:

- a. complying with the requirements of Article 12-E of the Banking Law, and Part 420 of the Superintendent's Regulations;
- b. ensuring that his activities and advertisements, do not mislead consumers into believing that he is licensed as a mortgage broker or mortgage banker pursuant to Article 12-D of the Banking Law;
- c. ensuring that he will not engage in prohibited conduct outlined in Section 420.20 of the Superintendent's Regulations and Part 38 of the Superintendent's Regulations.

2. Castro agrees to pay a fine of \$5,000 payable in ten (10) installments as

follows:

- \$500 upon execution of this Agreement;
- \$500 on or before the 15th day of each of the immediately following nine (9) months.

3. Castro further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.

4. Castro's mortgage origination activities will be subject to examinations semi-annually for a twenty-four month period following the execution of this Agreement.

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. Castro acknowledges that his failure to comply with any of the settlement terms, conditions, and timeframes of this Agreement may result in the Department taking action to suspend and/or revoke his MLO license.

2. Castro acknowledges that entering into this Agreement shall not bar, estop, or otherwise prevent the Superintendent, or any state, federal or local agency or department or any prosecutorial authority from taking any other action affecting Castro with respect to the violations cited herein, or any other matter whether related or not to such violations.

3. This Agreement may not be altered, modified or changed unless in writing signed by the Superintendent or her designee.

4. This Agreement shall be enforceable and remain in effect unless stayed or terminated in writing by the Superintendent or her designee.

5. The effective date of this Agreement is the date on which it is executed by

the Deputy Superintendent of Banks for Mortgage Banking.

6. All written communications to the Department regarding this Agreement should be sent as follows:

Attention:

Rholda L. Ricketts
Deputy Superintendent
New York State Department of Financial Services
One State Street
New York, New York 10004

7. All written communications to Castro regarding this Agreement should be sent as follows.

Attention:

Robert A. Castro
7 Battista Dr.
Mahopac, New York 10541

8. This Agreement is not confidential; therefore, it is available to the public.

WHEREFORE, the Settling Parties hereto have caused this Agreement to be executed.

By: _____

Robert A. Castro
Mortgage Loan Originator

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____