

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

**EQUITY PRIME MORTGAGE LLC**  
B500928  
A Licensed Mortgage Banker Pursuant to  
Article 12-D of the New York Banking Law

**SETTLEMENT AGREEMENT**

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This Settlement Agreement ("Agreement") is made and entered into by and between Equity Prime Mortgage LLC (the "Licensee") formerly known as Equity Home Capital LLC in lieu of its true corporate name Equity Loans LLC and the New York State Department of Financial Services (the "Department" and collectively with the Licensee, the "Settling Parties"), to address the violation of Section 1301 (d) of the New York Business Corporation Law ("BCL").

**I.**

**RECITALS**

1. Equity Prime Mortgage LLC is licensed by the Department, pursuant to Article 12-D of the Banking Law, to engage in business as a mortgage banker.
2. Sections 44 and 598 of the Banking Law provide, in part, that the Superintendent may, in a proceeding after notice and a hearing, require a licensed mortgage banker to pay to the people of this state a penalty for a violation of the Banking Law and/or any regulation promulgated thereunder.
3. 3 NYCRR General Regulations of the Superintendent, Section 38.8, provides that a mortgage banker may be subject to disciplinary action by the Department for, among other things, violations of Article 12-D of the Banking Law, the regulations promulgated thereunder, or violations of state or federal law indicating that the entity is unfit to engage in the business of

a mortgage banker.

### **Unauthorized Name**

4. Equity Loans LLC, a foreign corporation incorporated under the laws of the State of Georgia, received authority to engage in business in the State of New York on February 27, 2008, under the fictitious name Equity Home Capital LLC.

5. On September 15, 2010, Equity Home Capital LLC was granted a license by the Department to engage in business as a mortgage banker under the name Equity Home Capital LLC in lieu of its true corporate name Equity Loans LLC.

6. In August 2016, the Department discovered that the Licensee conducted mortgage loan activities relating to properties in New York State using its true corporate name Equity Loans LLC, notwithstanding the fact that it was licensed to conduct business in this state under the name Equity Home Capital LLC.

7. As a result, the Department has determined that the Licensee violated Section 1301 (d) of the BCL, which requires that a foreign corporation authorized to do business in New York State under a fictitious name, “use such fictitious name in all of its ... business in New York State.”

8. Further, as a result of the violation of Section 1301 (d) of the BCL, the Department has determined that the Licensee is subject to disciplinary action pursuant to 3 NYCRR General Regulations of the Superintendent, Section 38.8.

## **II.**

### **SETTLEMENT TERMS AND CONDITIONS**

Equity Prime Mortgage LLC is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives its right to a hearing under Banking Law Sections 44 and 598 on such violations. Therefore, in consideration of the promises and

covenants set forth herein, the Settling Parties agree, as follows:

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

- a. complying with the requirements of Article 12-D of the Banking Law, and Part 38 of the General Regulations;
- b. ensuring that it will provide appropriate training for its employees regarding the utilization of any location to conduct regulated mortgage business, assumed name or any website, domain, or other name; and
- c. not conducting or transacting New York regulated mortgage business using any website, domain, or other name that has not been approved by the Superintendent.

2. Equity Prime Mortgage LLC agrees to develop, written advertisement and compliance policies and procedures (“Compliance P&P”), designed to ensure compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters. If it already has developed Compliance P&P, it is required to review and update them so that they address the aforementioned concerns. The Compliance P&P shall, at a minimum: (i) designate an individual responsible for monitoring compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters; and (ii) establish a training program to ensure that Equity Prime Mortgage LLC and its MLO and non-MLO employees understand all applicable federal and state laws, regulations, supervisory requirements and guidance letters.

3. Within ninety (90) days from the effective date of this Agreement, Equity Prime Mortgage LLC agrees to submit a draft of its Compliance P&P to the Department.

4. Within thirty (30) days from receipt of non-objection or any comments from the Department, and after incorporation and adoption of all comments, Equity Prime Mortgage LLC agrees to submit a copy of its final Compliance P&P to the Department together with a letter from an authorized officer of Equity Prime Mortgage LLC indicating his/her approval of such policies and procedures.

5. Equity Prime Mortgage LLC agrees to pay a fine of \$5,000.

6. Equity Prime Mortgage LLC further agrees that such payment will be made in immediately available funds in accordance with the Department's payment instructions.

### **III.**

#### **MISCELLANEOUS TERMS AND CONDITIONS**

1. Equity Prime Mortgage LLC acknowledges that its failure to comply with any of the settlement terms and conditions of this Agreement may result in the Department taking action to revoke its license to engage in the business of a mortgage banker.

2. Equity Prime Mortgage LLC 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 Equity Prime Mortgage LLC, any of its current or former owners, officers, directors, employees, or insiders, or their successors or assigns 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 and signed by the Superintendent or his 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 or her designee.

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

Attention:

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

7. All written communications to Equity Prime Mortgage LLC regarding this Agreement should be sent as follows:

Attention:

Eduardo G. Perez, Jr.  
President  
Equity Prime Mortgage LLC  
5 Concourse Parkway, Suite 2250  
Atlanta, GA 30328.

8. This Agreement is not confidential; the Settling Parties understand that it may be made available to the public.

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

**Equity Prime Mortgage LLC**

By: \_\_\_\_\_  
Eduardo G. Perez, Jr.  
President

Dated: \_\_\_\_\_

**New York State Department of Financial Services**

By: \_\_\_\_\_  
Rholda L. Ricketts  
Deputy Superintendent

Dated: \_\_\_\_\_