

# *New York State*

## *Department of Financial Services*

-----X  
In the Matter of

**OMNI MORTGAGE CORP.  
D/B/A MORTGAGEHELP  
A004402**

### SETTLEMENT AGREEMENT

A Registered Mortgage Broker Pursuant To  
Article XII-D of the New York Banking Law  
-----X

This Settlement Agreement ("Agreement") is made and entered into by and between Omni Mortgage Corp. d/b/a Mortgagehelp ("Omni") and the State of New York Department of Financial Services ("Department of Financial Services"), collectively the ("Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations of the New York State Banking Law Article 12-D, and Part 38 of the General Regulations of the Banking Board, cited herein by the Department of Financial Services, upon and subject to the terms and conditions hereof.

#### I.

#### RECITALS

1. Omni, headquartered at 118-18 101<sup>st</sup> Avenue, 1<sup>st</sup> Floor, Richmond Hill, NY 11419 was granted a registration by the Department of Financial Services on August 12, 1997 to engage in the business of a mortgage broker pursuant to Article 12-D of the New York Banking Law ("Banking Law").

2. Section 44 of the Banking Law provides, in part, that the Superintendent may, in a proceeding after notice and a hearing, require a registered mortgage broker to pay to the people of this State a penalty for a violation of the Banking Law and any regulation promulgated thereunder.

3. Part 38 Section 38.8 of the General Regulations provides that a mortgage broker 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 broker.

4. An examination of Omni's business conducted as of June 30, 2009 by the Department of Financial Services found that Omni failed to disclose the yield spread premium on certain Good Faith Estimates ("GFE") and pre-application disclosures.

5. The Superintendent has agreed to resolve these violations by requiring Omni to pay a fine of \$5,000.

## II

### **SETTLEMENT TERMS AND CONDITIONS**

Omni 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:

1. Omni 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; and
- b. Comply with the U.S. Department of Housing and Urban Development's Regulation X – Real Estate Settlement Procedures Act.

2. Omni agrees to continue to further develop appropriate written compliance policies and procedures designed to ensure compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters. The policies and procedures 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 Omni 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, Omni agrees to submit a draft of its compliance policies and procedures to the Department of Financial Services.

4. Within one hundred twenty (120) days from the effective date of this agreement Omni agrees to submit a copy of its final compliance policies and procedures to the Department of Financial Services together with a letter from an authorized officer of Omni indicating his/her approval of such policies and procedures.

5. Omni agrees to pay the fine of \$5000.00 as examination violation in one installment

### III.

#### MISCELLANEOUS TERMS AND CONDITIONS

1. Omni acknowledges that its failure to comply with any of the settlement terms and conditions of this agreement may result in the Department of Financial Services taking action to revoke Omni's registration to engage in the business of a mortgage broker under Article 12-D of the Banking Law.

2. Omni 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 Omni, any of its current or former owners, officers, directors, employees, or insiders, or their successors.

3. This agreement may not be altered, modified or changed unless in writing 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 his designee.

5. The effective date of this agreement is the date on which it is executed by the Deputy Superintendent.

6. All written communications to the Department of Financial Services 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 Omni regarding this agreement should be sent as follows:

Attention:

Dherminder S. Bhasin  
President  
Omni Mortgage Corporation  
118-18, 101 Avenue  
Richmond Hill, NY 11419

Howard W. Newman  
The Law Office of Howard W. Newman  
1979 Marcus Avenue, Suite 210  
Lake Success, N.Y. 11042

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.

OMNI Mortgage Corp.

By: \_\_\_\_\_

Dherminder S. Bhasin  
President

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

New York State Department of Financial Services

By : \_\_\_\_\_

Rholda L. Ricketts  
Deputy Superintendent

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