

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

**MORTGAGE MASTER, INC.**  
A Licensed Mortgage Banker

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**SETTLEMENT AGREEMENT**

This Settlement Agreement ("Agreement") is made and entered into by and between Mortgage Master, Inc. ("Mortgage Master" or "Licensee") and the New York State Department of Financial Services (the "Department" together with Mortgage Master, collectively defined as the "Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations of Section 101.1(c)(1) of Supervisory Procedure MB 101, and Section 1301(a) of the New York Business Corporation Law ("Business Corporation Law"), cited herein by the Department, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Mortgage Master, incorporated under the laws of the State of Massachusetts and headquartered at 102 Elm Street, Walpole, MA 02081, was granted a license by the Department on May 19, 2004 to engage in the business of a mortgage banker pursuant to Article 12-D of the New York Banking Law ("Banking Law").

2. Mortgage Master received authority to engage in business under the laws of the State of New York as a foreign corporation on December 9, 1999.

3. Section 44 of the Banking Law provides, in part, that the Superintendent of Financial Services (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 any regulation promulgated there under.

4. Section 38.8 of the General Regulations of the Banking Board 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.

5. During a review of Mortgage Master’s corporate status, the Department noted that the New York Department of State (“Department of State”) records indicated that the entity’s authority to do business in New York was terminated by proclamation on April 27, 2011.

6. On May 18, 2012, the Department notified the Licensee that as a result of the termination of Mortgage Master’s corporate authority, it no longer had authority to do business in this State, and, therefore the Department no longer considers Mortgage Master a licensed mortgage banker.

7. Mortgage Master’s Volume of Operations Report and application log indicates that Mortgage Master conducted mortgage activities in connection with properties located in New York from April 2011 to May 2012.

8. As a result, the Licensee violated Section 1301(a) of the Business Corporation Law, which states that a foreign corporation shall not do business in this state unless it is authorized to do so.

9. Furthermore, the Licensee failed to notify the Department of the termination of its corporate authority in New York in violation of Section 101.1(c) (1) of Supervisory Procedure MB 101, pursuant to which, the licensee certified that the Superintendent will be promptly

advised of any changes that may occur in the information furnished in the application subsequent to the date upon which the information was furnished.

10. Mortgage Master's authority to conduct business in New York was reinstated effective May 18, 2012.

## **II.**

### **SETTLEMENT TERMS AND CONDITIONS**

The Licensee 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. The Licensee 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.
2. The Licensee agrees to pay a fine of \$5,000 payable upon execution of this Agreement.
3. The Licensee 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. Mortgage Master 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 Mortgage Master's license to engage in the business of a mortgage banker under Article 12-D of the Banking Law.

2. Mortgage Master 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 Mortgage Master, 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 his 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 Mortgage Master regarding this Agreement should be sent as follows:

Attention:

Robert J. Kerwin  
Chief Legal Officer  
Mortgage Master, Inc.  
102 Elm Street  
Walpole, MA 02081

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.

**Mortgage Master, Inc.**

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

Paul Anastos  
President

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

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

Patricia Raymo  
Vice President

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

**New York State Department of Financial Services**

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

Rholda L. Ricketts  
Deputy Superintendent

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