

New York State Department
Of Financial Services

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In the Matter of

R.B.I. Associates, Ltd.
A004752

SETTLEMENT AGREEMENT

A Registered Mortgage Broker Pursuant to
Article 12-D of the New York Banking Law

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This Settlement Agreement ("Agreement") is made and entered into by and between R.B.I. Associates, Ltd. ("R.B.I.") and the State of New York Department of Financial Services (the "Department" and collectively with R.B.I., the "Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, violations of New York Banking Law Article 12-D, Sections 591-a(2) and 593-a, cited herein by the Department, upon and subject to the terms and conditions hereof.

I.

RECITALS

1. R.B.I., headquartered at 33 South Service Road, Suite 2, Jericho, NY 11753, was granted a registration by the Department on July 20, 1999 to engage in the business of a mortgage broker pursuant to Article 12-D of the 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. The Department has determined that R.B.I. was conducting New York regulated mortgage activities from an Internet website using the following domain name: [www.http://activerain.com/ramjimishra](http://activerain.com/ramjimishra).

5. R.B.I. was not authorized by the Department to conduct New York regulated mortgage activities using this domain name.

6. Pursuant to the Department's June 1, 2000, industry letter, the domain name of any website used by a licensee or registrant to conduct mortgage banking or brokering activity qualifies as a business address of the licensee or registrant.

7. Therefore, the Department found the unauthorized domain name [www.http://activerain.com/ramjimishra](http://activerain.com/ramjimishra) to be an unauthorized business location of R.B.I.

8. Accordingly, R.B.I.'s use of said unauthorized domain name violated Banking Law Section 591-a(2), which requires registrants to apply for and receive Department approval prior to opening a business location; and Banking Law Section 593-a, which prohibits mortgage brokers from conducting business at a location or in a name other than that shown on its registration or branch certificate.

II.

SETTLEMENT TERMS AND CONDITIONS

R.B.I. is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives its right to a hearing provided for under

Banking Law Sections 44 and 598. Therefore, in consideration of the promises and covenants set forth herein, the Settling Parties agree, as follows:

1. R.B.I. shall not:
 - a. Under any name or designation conduct or transact business in this state through the use of any website or domain name that has not been approved by the Superintendent;
 - b. Conduct or transact business under any name or designation other than that shown on its license or branch certificate;
 - c. Assign mortgage loan originators to locations that are not licensed by the Superintendent;
 - d. Engage in conduct prohibited by Part 38 of the General Regulations.

2. R.B.I. agrees to take all necessary steps to ensure its compliance with all applicable federal and state laws, regulations, supervisory requirements, and guidance letters 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 Superintendent's Regulations;
- b. Assigning mortgage loan originators only to locations licensed by the Superintendent, and displaying the license for each mortgage loan originator working at such location;
- c. Providing the proper oversight and supervision of each individual who becomes employed by, or affiliated as an independent contractor of or consultant for, R.B.I.; and

- d. Maintaining books and records in a manner that will enable the Superintendent to determine whether R.B.I. is complying with all applicable federal and state laws, regulations, supervisory requirements, and guidance letters.
3. R.B.I. agrees to pay a fine of \$5,000. The Registrant 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. R.B.I. acknowledges that its failure to comply with the settlement terms and conditions of this Agreement may result in the Department taking action to revoke its registration to engage in the business of a mortgage broker under Article 12-D of the Banking Law.
2. R.B.I. 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 R.B.I., 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 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, NY 10004

7. All written communications to R.B.I. regarding this Agreement should be sent as follows.

Attention:

Roger G. Boffardi
President
R.B.I. Associates, Ltd.
33 South Service Road, Suite 2
Jericho, NY 11753

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: _____

Roger G. Boffardi
President
R.B.I. Associates, Ltd.

By: _____

Rholda L. Ricketts
Deputy Superintendent
State of New York
Department of Financial Services

Dated: _____

Dated: _____