

NEW YORK STATE DEPARTMENT
OF FINANCIAL SERVICES

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In the Matter of

ALL TOWN MORTGAGE CORP.
A002401
A Registered Mortgage Broker 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 All Town Mortgage Corp. ("All Town Mortgage", "Registrant") and the New York State Department of Financial Services (the "Department", together with the Registrant, collectively defined as the "Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations of Section 102.1(c) (1) of Supervisory Procedure MB 102 and Section 1005(a)(1) 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. All Town Mortgage, headquartered at 88 Maple Avenue, Smithtown, NY 11787, was granted a registration by the Department, pursuant to Article XII-D of the New York Banking Law ("Banking Law") to engage in the business as a mortgage broker.
2. 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 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. Section 38.8 of the General Regulations of the Superintendent provides that a mortgage broker may be subject to disciplinary action by the Department for, among other things, violations of Article XII-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 Registrant was incorporated under the laws of the State of New York on May 6, 1991.
5. During a review of All Town Mortgage'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 dissolved by proclamation on July 27, 2011.

6. On July 18, 2013, the Department notified the Registrant that as a result of the dissolution, it no longer had authority to do business in the state of New York, and, therefore the Department no longer considers it a registered mortgage broker.

7. Based on a review of All Town Mortgage’s Volume of Operations Report and application log, the Department determined that it conducted mortgage activities in connection with properties located in New York from 2011 to 2013, the period during when its status as a corporation was effectively dissolved.

8. Accordingly, All Town Mortgage violated Section 1005(a)(1) of the Business Corporation Law, which prohibits an entity from conducting business, after dissolution, except for the purpose of winding up its affairs.

9. Furthermore, the Registrant failed to notify the Department of the Registrant’s dissolution of corporate authority in New York in violation of Section 102.1(c)(1) of Supervisory Procedure MB 102, which requires that the Registrant promptly advise the Superintendent of any changes which occur in the information furnished in the application subsequent to the date upon which the information was furnished.

10. All Town Mortgage was reinstated with the Department of State, effective November 8, 2013.

II.

SETTLEMENT TERMS AND CONDITIONS

The Registrant 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 Registrant 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 Registrant agrees to pay a fine of \$3,000 in six monthly installments, with the first installment of \$500 due upon execution of this Agreement. The remaining five payments of \$500 are due by the 15th day of each successive month until the fine is fully paid.

3. The Registrant further agrees that such payment will be made in immediately available funds in

accordance with Department payment instructions.

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. All Town Mortgage 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 All Town Mortgage's registration to engage in the business of a mortgage broker.

2. All Town Mortgage 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 All Town Mortgage, 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
New York State Department of Financial Services
One State Street
New York, New York 10004

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

Attention:

Richard Longobardi
President
All Town Mortgage Corp.
88 Maple Avenue
Smithtown, NY 11787

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.

All Town Mortgage Corp.

By: _____

Richard Longobardi
President

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____