

NEW YORK STATE DEPARTMENT
OF FINANCIAL SERVICES

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In the Matter of

Peijian Chi
NMLS NO. 306096

SETTLEMENT AGREEMENT

A Licensed Mortgage Loan Originator Pursuant To
Article XII-E of the New York Banking Law

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This Settlement Agreement ("Agreement") is made and entered into by and between Peijian Chi ("Mr. Chi") and the New York State Department of Financial Services (the "Department" and collectively with Mr. Chi, the "Settling Parties") and evidences an agreement between the Settling Parties to resolve, without a hearing, the violations of Part 420 of the Superintendent's Regulations, upon and subject to the terms and conditions hereof.

I.

RECITALS

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

2. Section 420.21(g) of Part 420 of the Superintendent's Regulations provides that a fine may be imposed against a mortgage loan originator ("MLO") for any violation of the Banking Law, any regulation promulgated thereunder, any final or

temporary order issued pursuant to Section 39 of the Banking Law, any condition imposed by the Superintendent in connection with the granting of any application or request or any written agreement entered into with the Superintendent.

3. Mr. Chi was approved as an MLO by the Department on June 17, 2011, pursuant to Article 12-E of the Banking Law and Part 420 of the Superintendent's Regulations, to engage in regulated mortgage loan origination activities.

4. According to records maintained by Nationwide Mortgage Licensing System & Registry ("NMLS"), Mr. Chi was employed by Vantage Mortgage LLC ("Vantage"), a registered mortgage broker, from March 24, 2010 to May 15, 2014.

5. Prior to December 31, 2014, Mr. Chi, whose nickname is Owen Chi, was the managing member, president, and 100% owner of Pioneer Lending LLC ("Pioneer"), an unlicensed entity. Pioneer operated at 38-19 Union Street, Suite 201, Flushing, NY 11354, and its telephone number is (718) 961-8828.

6. Mr. Chi, on behalf of Pioneer, placed advertisements for mortgage loans in various Pennysavers, including the October 2013 edition of the "Populace Real Estate Magazine," and the January 2014 edition of the "House Finder." Copies of these advertisements are annexed as Exhibit A and Exhibit B, respectively.

Prohibited Conduct

7. Pioneer's advertisement in the Populace Real Estate Magazine contained the following statements in Chinese: "1-4 family dwelling" and "refinancing." By making such statements, Pioneer solicited New York regulated mortgage loans.

8. Pioneer is neither a registered mortgage broker nor a licensed mortgage banker.

9. By working for Pioneer as its President, Mr. Chi, an MLO, effectively conducted business with an unregistered mortgage broker, or an unlicensed mortgage banker.

10. Accordingly, Mr. Chi violated Section 420.20(a)(5) of the Superintendent's Regulations, which prohibits an MLO from conducting business with any entity or individual which he or she knows or should know is an unlicensed mortgage banker or unregistered mortgage broker not otherwise exempt from the licensing, registration and license requirements of Articles 12-D and 12-E of the Banking Law.

II

SETTLEMENT TERMS AND CONDITIONS

Mr. Chi is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives his right to a hearing under Banking Law Section 44 and the Superintendent's Regulation Part 420.21 on such violations. In consideration of the promises and covenants set forth herein, the Settling Parties agree as follows:

1. Mr. Chi agrees to take all necessary steps to ensure his compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to his mortgage business, including, but not limited to:

a. complying with the requirements of the Article 12-D and 12-E of the

Banking Law, and Part 419 and Part 420 of the Superintendent's Regulations;

- b. ensuring that he will not conduct regulated mortgage business as a mortgage broker or as a mortgage banker unless licensed to do so;
- c. ensuring that he will not conduct business with any entity or individual which he or she knows or should know is an unlicensed mortgage banker or unregistered mortgage broker not otherwise exempt from the registration and license requirements of articles 12-D and 12-E of the Banking Law.
- d. ensuring that he will not engage in conduct prohibited by Section 420.20 of the Superintendent's Regulations and Part 38 of the Superintendent's Regulations.

2. Mr. Chi agrees to pay a fine of \$3,800.

3. Mr. Chi further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.

4. Mr. Chi's mortgage origination activities will be subject to examinations semi-annually for a twenty-four month period following the execution of this Agreement.

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. Mr. Chi acknowledges that his failure to comply with any of the settlement terms, conditions, and timeframes of this Agreement may result in the Department taking action to suspend and/or revoke his MLO license under Article 12-E of the Banking Law.

2. Mr. Chi 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 Mr. Chi 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 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 Mr. Chi regarding this Agreement should be sent as follows.

Attention:

Peijian Chi
Mortgage Loan Originator
161-06 65 Ave Apt 1F
Fresh Meadows, NY 11365

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: _____

Peijian Chi
Mortgage Loan Originator

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____