

NEW YORK STATE DEPARTMENT
OF FINANCIAL SERVICES

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In the Matter of

ALLIED MORTGAGE GROUP, INC.
B500854

A Licensed Mortgage Banker 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 AFG Mortgage in lieu of its true corporate name Allied Mortgage Group, Inc. ("Licensee" or "Allied") and the New York State Department of Financial Services (the "Department" and collectively with the Licensee, the "Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violation of Sections 202 (b) and 1301(d) of the New York Business Corporation Law ("BCL").

I.

RECITALS

1. Allied Mortgage Group, Inc. incorporated under the laws of the State of Pennsylvania and headquartered at 7 Bala Avenue, Suite 108, Bala Cynwyd, PA 19004, was granted a license by the Department on February 6, 2006 to engage in business as a mortgage banker pursuant to Article XII-D of the New York Banking Law ("Banking Law").

2. Pursuant to Sections 44 and 595 of the Banking Law, 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.

3. The Licensee received authority to engage in business under the laws of the State of New York as a foreign corporation on May 28, 2004, under the fictitious name AFG Mortgage, and was issued a license to conduct mortgage lending activities in this state under said fictitious name.

4. Based on a review of the Licensee's mortgage lending activities, the Department has determined that the Licensee conducted mortgage lending activities in this state and utilized the name Allied Mortgage Group, Inc., instead of utilizing its fictitious name, AFG Mortgage.

5. As a result, the Licensee has violated Section 1301 (d) of the BCL, which requires a foreign corporation authorized to do business in this state under a fictitious name to "use such fictitious name in all of its ... business in this state."

6. On January 23, 2013, the Licensee applied for and the Department of State authorized the Licensee to thereafter use its true corporate name, Allied Mortgage Group, Inc.

7. By letter dated March 27, 2013, the Licensee notified the Department that it is no longer using the fictitious name, AFG Mortgage, and submitted a change of name application.

8. Based on a review of the Licensee's mortgage lending activities, the Department has determined that the Licensee conducted mortgage lending activities in this state and utilized its fictitious name, AFG Mortgage, instead of utilizing its true corporate name, Allied Mortgage Group, Inc.

9. As a result, the Department has determined the Licensee violated Section 202 (b) of the BCL, which prohibits any corporation from doing business in this state "under any name, other than that appearing in its certificate of incorporation."

II.

SETTLEMENT TERMS AND CONDITIONS

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. 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. Allied 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 Allied Mortgage's license to engage in the business of a mortgage banker.
2. Allied 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 Allied 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
State of New York Department of Financial Services
One State Street
New York, New York 10004

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

Attention:

Shantanu Roy Chowdhury
President
Allied Mortgage Group, Inc.
7 Bala Avenue, Suite 108
Bala Cynwyd, PA 19004

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.

Allied Mortgage Group, Inc.

By: _____

Shantanu R. Chowdhury
President

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____