

State of New York
Banking Department

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In the Matter of

Bruce G. Maasbach

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 Bruce G. Maasbach and the State of New York Banking Department ("Banking Department"), collectively the ("Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations cited herein by Bruce G. Maasbach of the State of New York Banking Law Section 590; the Superintendent's Regulations Part 420.20, and the General Business Law Article 22-a Sections 349 and 350, upon and subject to the terms and conditions hereof.

I.

RECITALS

1. Bruce G. Maasbach was employed by Luxury Mortgage Corp. d/b/a Luxurymae, a mortgage banker, headquartered at One Landmark Square, Suite 100, Stamford, CT 06901 on January 26, 2010 to engage in mortgage loan originating activities pursuant to Article XII-E of the New York Banking Law ("Banking Law").

2. Section 44 of the Banking Law provides, in part, that the New York Superintendent of Banks ("Superintendent") may, in a proceeding after notice and a hearing, require a

mortgage loan originator to pay to the people of this State a penalty for a violation of the Banking Law and any regulation promulgated thereunder.

3. Part 420 Section 420.21 of the Superintendent's Regulations provides that a fine may be imposed against a mortgage loan originator 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 or Banking Board in connection with the grant of any application or request or any written agreement entered into with the Superintendent.

4. During a review of Bruce G. Maasbach's mortgage loan originator ("MLO") application submitted through the Nationwide Mortgage Licensing System and Registry ("NMLSR") on August 18, 2008, the Banking Department noted that Mr. Maasbach maintained a website www.luxurymortgagenyc.com.

5. The website www.luxurymortgagenyc.com, which was owned by Bruce G. Maasbach, advertised The Maasbach Partners, a division of Luxury Mortgage Corp with the consent of Luxury Mortgage Corp. mortgage lending and brokering activities.

6. Although Luxury Mortgage Corp is a licensed mortgage banker, neither Bruce G. Maasbach nor The Maasbach Partners is registered as a mortgage broker or licensed as a mortgage banker with the Banking Department or exempt from the licensing and registration requirements of Article 12-D.

7. Additionally, the footnote of the website detailing licensing information identifies Maasbach Partners at Luxury Mortgage with the NMLSR number 48072 when in fact this unique identifying number was assigned to an individual mortgage loan originator applicant, Bruce Maasbach, and not a licensed entity.

8. By using his NMLSR number in connection with The Maasbach Partners' name on the website www.luxurymortgagenyc.com, Bruce G. Maasbach implied that he and The

Maasbach Partners were licensed or registered by the Banking Department to engage in mortgage loan origination activities as a mortgage banker or broker under the name of The Maasbach Partners.

9. Accordingly, Bruce G. Maasbach violated Part 420.20(4) of the Superintendent's Regulation, which prohibits MLOs from publishing, advertising or displaying his or her MLO license in any manner, which implies that the MLO is licensed or registered with the Banking Department to engage in mortgage loan originating activities as a mortgage banker or mortgage broker.

10. Accordingly, Bruce G. Maasbach violated Part 420.20(3) of the Superintendent's Regulations, which prohibits a MLO from misrepresenting his or her license status, or persuade or induce a borrower to apply for a mortgage loan under the belief that such MLO is duly licensed as a mortgage banker or registered as a mortgage broker.

II.

SETTLEMENT TERMS AND CONDITIONS

Without admitting or denying the Department's findings, Bruce G. Maasbach is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives his rights to a hearing under New York Banking Law Sections 44 and the Superintendent's Regulation Part 420.21 on such violations. Therefore, in consideration of the promises and covenants set forth herein, the Settling Parties agree, as follows:

1. Mr. Maasbach shall not:
 - a. Conduct business in this state at any location that has not been approved;
 - b. Publish, advertise or display his MLO license in any manner which implies that he is licensed or registered with the Banking Department to

engage in mortgage loan originating activities as a mortgage banker or mortgage broker pursuant to Article 12-D of the Banking Law; or

- c. Conduct or transact business in this state under any assumed name or designation or using any website, domain, or other name that has not been approved by the Superintendent.
- d. Engage in any transaction, practice, or course of business that is not in good faith or does not constitute fair dealing as required by the character and fitness requirements of Section 599-d of the Banking Law and Sections 592 and 592-a of the Banking Law;
- e. Engage in prohibited conduct outlined in Section 420.20 of the of the Superintendent's Regulations and Part 38 of the General Regulation of the Banking Board

2. Mr. Maasbach agrees to take all necessary steps to ensure compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to mortgage loan origination activities, including, but not limited to:

- a. Complying with the provisions of Article 12-E of the New York Banking Law and Part 420 of the Superintendent's Regulations.

3. Mr. Maasbach agrees to pay a fine of \$5,000 payable in six (4) equal monthly installments as follows:

- \$1,250 upon execution of this Agreement.
- \$1,250 each on or before the 15th day of the immediately following three (3) months.

4. Mr. Maasbach further agrees that such payment will be made in immediately available funds in accordance with Banking Department payment instructions.

5. Mr. Maasbach's mortgage origination activities will be subject to examinations

semi annually for a twenty-four month period following the execution of this Agreement.

6. Mr. Maasbach fully understands the requirements of this Agreement and that failure to meet the above conditions and timeframes may result in the Banking Department suspending his mortgage loan originator license and scheduling a hearing for revocation;

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. The Settling Parties acknowledge 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 Bruce G. Maasbach with respect to the violations cited herein, or any other matter whether related or not to such violations.

2. This Agreement may not be altered, modified or changed unless in writing signed by the Superintendent or his designee.

3. This Agreement shall be enforceable and remain in effect unless stayed or terminated in writing by the Superintendent or his designee.

4. The effective date of this Agreement is the date on which it is executed by the Deputy Superintendent of Banks for Mortgage Banking.

5. All written communications to the Banking Department regarding this Agreement should be sent as follows.

Attention:

Rholda L. Ricketts
Deputy Superintendent of Banks
Mortgage Banking Division
State of New York Banking Department
One State Street,
New York, New York 10004

6. All written communications to Mr. Maasbach regarding this Agreement should be sent as follows

Attention:

Bruce G. Maasbach
26 Overlook Road
Martinecock Farms
Glen Cove, New York 11542

7. 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: _____

Bruce G. Maasbach

Dated: _____

By: _____

Rholda L. Ricketts
Deputy Superintendent of Banks
State of New York Banking Department

Dated: _____