

*New York State*  
*Department of Financial Services*

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In the Matter of

**UNITED FUNDING GROUP CORP.**  
**A004808**

**SETTLEMENT AGREEMENT**

A Registered Mortgage Broker Pursuant To  
Article XII-D of the New York Banking Law  
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This Settlement Agreement ("Agreement") is made and entered into by and between United Funding Group Corp. ("United Funding" or "Registrant") and the New York State Department of Financial Services (the "Department" together with United Funding, 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. United Funding, headquartered at 36-12 34<sup>th</sup> Avenue, Suite 300, Astoria, NY 11106 was granted a registration by the Department on July 28, 1999 to engage in the business of a mortgage broker pursuant to Article 12-D of the New York Banking Law ("Banking Law").

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 Banking Board 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. United Funding was incorporated under the Laws of the State of New York as a domestic corporation on January 9, 1998.

5. During a review of United Funding's corporate records, the Department noted that the New York Department of State ("Department of State") records indicated that the entity ceased to exist as it was dissolved by proclamation on October 26, 2011.

6. On January 18, 2012, the Department notified the Registrant that as a result of the dissolution of United Funding, it no longer had authority to do business in this State, and therefore the Department no longer considers United Funding a registered mortgage broker.

7. For the period that United Funding was dissolved with the Department of State, United Funding maintained an active registration with the Department.

8. Additionally, the Registrant's application log indicates that United Funding conducted mortgage activities in connection with properties located in New York.

9. As a result, United Funding violated Section 1005(a) (1) of the Business Corporation Law, which states that after dissolution the corporation shall carry on no business except for the purpose of winding up its affairs.

10. Furthermore, the Registrant failed to notify the Department of its corporate dissolution in violation of Section 102.1(c) (1) of Supervisory Procedure MB 102, pursuant to which the Registrant certified that the Superintendent will be promptly advised of any

changes which may occur in the information furnished in the application subsequent to the date upon which the information was furnished.

11. United Funding's failure to notify the Department of the dissolution resulted in the company remaining on the Roll of Registered Mortgage brokers. Even though its corporate status as an entity was dissolved.

12. United Funding was reinstated with the New York Department of State, effective February 6, 2012.

## 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 \$1,500 payable in three monthly installments, with the first installment of \$500 due upon execution of this Agreement. The remaining two installments of \$500 each are due by the 15<sup>th</sup> of each successive month until the fine is fully paid.

3. The Registrant further agrees that such installments shall be made in immediately available funds in accordance with the Department's payment instructions. Failure to make timely payment on any of the installments shall result in immediate revocation of United Funding's registration.

### III.

#### MISCELLANEOUS TERMS AND CONDITIONS

1. The Settling Parties acknowledges that United Funding's failure to comply with any of the settlement terms and conditions of this Agreement may result in the Department taking action to revoke United Funding's registration to engage in the business of a mortgage broker under Article 12-D of the Banking Law.

2. 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 United Funding, 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 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 United Funding regarding this Agreement should be sent as follows:

Attention:

Vasos Constantinides  
United Funding Group Corp.  
36-12 34<sup>th</sup> Avenue, Suite 300  
Astoria, NY 11106

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.

**United Funding Group Corp.**

By: \_\_\_\_\_

Vasos Constantinides  
President

Dated: \_\_\_\_\_

**State of New York Department of Financial Services**

By: \_\_\_\_\_

Rholda L. Ricketts  
Deputy Superintendent

Dated: \_\_\_\_\_