

New York State Department  
of Financial Services

\_\_\_\_\_ X  
In the Matter of

Advisors Mortgage Group, L.L.C.  
B500959

**SETTLEMENT AGREEMENT**

A Licensed Mortgage Banker Pursuant To  
Article XII-D of the New York Banking Law  
\_\_\_\_\_ X

This Settlement Agreement ("Agreement") is made and entered into by and between Advisors Mortgage Group, L.L.C. ("Advisors Mortgage") and the New York State Department of Financial Services (the "Department" collectively with Advisors Mortgage, the "Settling Parties") evidencing an agreement between the Settling Parties to resolve, without a hearing, violations of Article 12-D of the New York Banking Law ("Banking Law"), and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Advisors Mortgage, headquartered at 1411 Highway 35, Ocean, NJ 07712, was granted a license by the Department on September 6, 2011 to engage in the business of a mortgage banker pursuant to Article 12-D of the Banking Law.

2. Section 44 of the Banking Law provides, in part, that the Superintendent may, in a proceeding after notice and a hearing, require a licensed mortgage banker 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, provides that 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.

**Unauthorized Branch Locations**

4. Advisors Mortgage was granted a license by the Department on September 6, 2011 to operate a branch office at 1044 Route 23, Suite 102, Wayne, NJ 07470 pursuant to Article 12-D of the Banking Law.

5. According to records maintained by Nationwide Mortgage Licensing System (“NMLS”), Advisors Mortgage relocated its branch office in April 2012 from 1044 Route 23, Suite 102, Wayne, NJ 07470 to 345 Passaic Ave, 2<sup>nd</sup> Floor, Fairfield, NJ 07400.

6. According to its application log for 2012, Advisors Mortgage conducted New York regulated mortgage activities in the Fairfield New Jersey office.

7. Additionally, according to records maintained by NMLS, Advisors Mortgage relocated its branch office in January 2013 from 345 Passaic Ave, 2<sup>nd</sup> Floor, Fairfield, NJ 07400 to 385 Route 23, Suite 201, Franklin, NJ 07416.

8. Section 591(3) provides that a licensee apply for authority to open and maintain a branch office by giving the Department advance notice and submitting an application and fee. Section 591(3) also requires a licensee to apply for and receive permission prior to using a business address.

9. Advisors Mortgage applied but did not receive authorization from the Department prior to operating the Fairfield, New Jersey and the Franklin, New Jersey

offices.

10. Accordingly, Advisors Mortgage violated Section 591 of the Banking Law.

## II.

### **SETTLEMENT TERMS AND CONDITIONS**

Advisors Mortgage is willing to resolve the violations 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:

1. Advisors Mortgage 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, including, but not limited to:

- a. complying with the requirements of Article 12-D of the Banking Law, and Part 38 of the General Regulations of the Banking Board;
- b. not conducting or transacting New York regulated mortgage business at any location that has not been approved by the Superintendent; and
- c. ensuring that it will provide appropriate training for its employees regarding the establishment of or the change of branch locations;

2. Advisors Mortgage agrees to develop appropriate written compliance policies and procedures designed to ensure compliance with all applicable federal and state laws, regulations, supervisory requirements, and guidelines. The policies and procedures shall, at a minimum: (i) designate an individual responsible for monitoring compliance with all applicable federal and state laws, regulations, supervisory

requirements, and guidelines; (ii) include a listing of all applicable laws and regulations; (iii) establish a mechanism for ensuring that all applicable laws and regulations are met; (iv) establish a training program to ensure that Advisors Mortgage and its employees involved in establishing new branch locations and utilizing new assumed names understand all applicable federal and state laws and regulations.

3. Within ninety (90) days from the effective date of this Agreement, Advisors Mortgage agrees to submit a draft of its compliance policies and procedures to the Department.

4. Within thirty (30) days from receipt of non-objection or any comments from the Department, and after incorporation and adoption of all comments, Advisors Mortgage agrees to submit a copy of its final compliance policies and procedures to the Department together with a letter from an authorized officer of Advisors Mortgage indicating his/her approval of such policies and procedures.

5. Advisors Mortgage agrees to pay a fine of \$ 6,000.

6. Advisors Mortgage 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. Advisors 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 Advisors Mortgage's license to engage in the business of a mortgage banker under Article 12-D of the Banking Law.

2. Advisors 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 Advisors 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 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.

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 Advisors Mortgage regarding this Agreement should be sent as follows.

Attention:

Steven Thomas Meyer  
President  
Advisors Mortgage Group, L.L.C.  
1411 Highway 35  
Ocean, NJ 07712

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.

Advisors Mortgage Group, L.L.C.

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

Steven Thomas Meyer  
President

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

New York State Department of Financial Services

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

Rholda L. Ricketts  
Deputy Superintendent

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