

NEW YORK STATE DEPARTMENT
OF FINANCIAL SERVICES

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In the Matter of

REVERSE MORTGAGE SOLUTIONS, INC.
A Mortgage Loan Servicer

SETTLEMENT AGREEMENT

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This Settlement Agreement ("Agreement") is made and entered into by and between Reverse Mortgage Solutions, Inc. ("RMS") and the New York State Department of Financial Services (the "Department" together with RMS, collectively defined as the "Settling Parties"), evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations of Section 590(2)(b-1) of the New York Banking Law, and 3 NYCRR Section 418.14.

I.

RECITALS

1. RMS, headquartered at 2727 Spring Creek Drive, Spring, TX 77373 is a mortgage loan servicer as defined by Section 590(1)(h) of the Banking Law.
2. Section 590(2)(b-1) of the New York Banking Law states that no person, partnership, association, corporation or other entity shall engage in the business of servicing mortgage loans with respect to any property located in this state without first being registered with the superintendent as a mortgage loan servicer in accordance with the registration procedure provided by such regulations as may be prescribed by the superintendent.
3. In accordance with 3 NYCRR Section 418.14, if a mortgage loan servicer, doing business in this state on June 30, 2009, filed a mortgage loan servicer application by July 31, 2009, such mortgage loan servicer was deemed to be in compliance with the registration requirements of Part 418.
4. Upon information and belief, RMS was engaged in mortgage loan servicing (as defined by Section 590(1)(i) of the Banking Law) on June 30, 2009.
5. RMS filed a Mortgage Loan Servicer Registration Application through the Nationwide Mortgage Licensing System ("NMLS") on March 22, 2010.

6. RMS's servicing of mortgage loans on or after July 31, 2009, without complying with the requirements of 3 NYCRR Part 418 constitutes a violation of Section 590(2)(b-1) of the New York Banking Law.

II.

SETTLEMENT TERMS AND CONDITIONS

RMS is willing to resolve the violation cited herein by entering into this Agreement. Therefore, in consideration of the promises and covenants set forth herein, the Settling Parties agree, as follows:

1. RMS 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 servicing business including, submitting to the Department its policy and procedures related to its state and federal licensing and provide a board approved compliance program detailing its regulatory oversight.
2. RMS agrees to pay a fine of \$47,000.
3. RMS 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. RMS 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 its registration to engage in the business of a mortgage loan servicer under Part 418 of the Superintendent's Regulations and Article 12-D of the Banking Law.
2. RMS 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 RMS, 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 RMS regarding this Agreement should be sent as follows:

Attention:

D. Scott Clarke
President and CEO
Reverse Mortgage Solutions, Inc.
2727 Spring Creek Drive
Spring, TX 77373

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.

Reverse Mortgage Solutions, Inc.

By: _____

D. Scott Clarke
President and CEO

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____