

New York State  
Department of Financial Services

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In the Matter of

**United Mortgage Corp. UAN  
NY Finest Funding  
B500336**

**SETTLEMENT AGREEMENT**

A Licensed Mortgage Banker 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 Mortgage Corp. UAN NY Finest Funding (“UMC” or the “Entity”) and the New York State Department of Financial Services (the “Department” and collectively with the Entity, the “Settling Parties”) evidencing an agreement between the Settling Parties to resolve, without a hearing, the violation of Article 12-D of the New York Banking Law (the “Banking Law”), cited herein, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. The Entity, headquartered at 25 Melville Park Road, Suite 100, Melville, New York 11747, was granted a license by the Department on January 24, 1992 to engage in business as a mortgage banker pursuant to Article 12-D of the Banking Law.
2. Sections 44 and 598 of the Banking Law provide, in part, that the Superintendent of Financial Services (“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 Domain Name**

4. Pursuant to the Department's June 1, 2000 industry letter, the domain name of any website used by a licensee or a registrant to conduct mortgage banking or brokering activity qualifies as a business address.

5. During a period including February 2015, the Entity used the domain names and websites "umcmortgage.com" and "smartmoneyreverse.com" to solicit New York regulated residential mortgages. Samples of the websites are annexed as Exhibit A.

6. The Entity failed to obtain authorization from the Department to utilize the domain names "umcmortgage.com" and "smartmoneyreverse.com" to conduct New York regulated mortgage business.

7. Accordingly, the Entity violated Article 12-D Section 591(3) of the Banking Law, which requires licensees to apply for and receive permission prior to using a specific business address.

## **II.**

### **SETTLEMENT TERMS AND CONDITIONS**

UMC 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:

1. The Entity 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;
- b. ensuring that it will provide appropriate training for its employees regarding the utilization of any location to conduct regulated mortgage business, assumed name or any website, domain, or other name; and
- c. not conducting or transacting in this state under any name, assumed name or designation using any website, domain, or other name that has not been approved by the Superintendent.

2. The Entity agrees to develop, written advertisement compliance policies and procedures ("Compliance P&P"), designed to ensure compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters. If it already has developed Compliance P&P, it is required to review and update them so that they address the aforementioned concerns. The Compliance P&P shall, at a minimum:

- (i) designate an individual responsible for monitoring compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters; and
- (ii) establish a training program to ensure that the Entity and its MLO and non-MLO employees understand all applicable federal and state laws, regulations, supervisory requirements and guidance letters.

3. Within ninety (90) days from the effective date of this Agreement, the Entity agrees to submit a draft of its Compliance P&P 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, the Entity agrees to submit a copy of its final Compliance P&P to the Department together with a letter from

an authorized officer of the Entity indicating his/her approval of such policies and procedures.

5. The Entity agrees to pay a fine of \$5,000.

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

2. The Entity 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 the Entity, any of its current or former owners, officers, directors, employees, or insiders, or their successors or assigns with respect to any other matter or matters whether related or not to the violations cited herein.

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 the Entity regarding this Agreement should be sent as follows.

Attention:

Mark Rosenbloom  
President  
United Mortgage Corp. UAN  
NY Finest Funding  
25 Melville Park Road, Suite 100  
Melville, NY 11747

8. This Agreement is not confidential, and each of the Settling Parties understands that it is available to the public.

WHEREFORE, the Settling Parties hereto have caused this Agreement to be executed.

United Mortgage Corp. UAN  
NY Finest Funding

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

Mark Rosenbloom  
President

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

New York State Department of Financial  
Services

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

Rholda L. Ricketts  
Deputy Superintendent

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