

New York State Department
of Financial Services

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In the Matter of

**MORTGAGE EASY, INC D/B/A
CONGRESS CAPITAL GROUP
A007165**

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 Mortgage Easy, Inc. D/B/A Congress Capital Group ("Mortgage Easy") and the New York State Department of Financial Services (the "Department" collectively, with Mortgage Easy, the "Settling Parties") evidencing an agreement between the Settling Parties to resolve, without a hearing, the violation of Section 591-a(2) of Article 12-D of the New York Banking Law ("Banking Law"), upon and subject to the terms and conditions hereof.

I.

RECITALS

1. Mortgage Easy, headquartered at 1601 Gravesend Neck Road, Suite 12, Brooklyn, NY 11229, was registered by the Department on July 13, 1999 to engage in the business of a mortgage broker 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 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 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.

Unauthorized Domain Name and Website

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. In 2015, Mortgage Easy utilized the domain name and website congresscapitalgroup.com to conduct mortgage lending activities related to properties in New York State prior to receiving approval from the Department. The Department's review determined that the domain name and website congresscapitalgroup.com were advertised to New York State consumers and that their website collected consumer information from New York residents. A sample of the website is annexed as Exhibit A.

6. The Department's records do not reflect that the aforementioned domain name and website was approved by the Department to conduct mortgage lending activities related to properties in New York State.

7. Accordingly, Mortgage Easy violated Section 591-a(2) of Article 12-D of the Banking Law, which requires registrants to apply for and receive permission prior to using a specific business address.

II

SETTLEMENT TERMS AND CONDITIONS

Mortgage Easy is willing to resolve the violations 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:

- a. Accordingly Mortgage Easy 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: complying with the requirements of Article 12-D of the Banking Law, and Part 38 of the General Regulations;
- b. not conducting or transacting business in this state under any assumed name or designation using any website, domain, or other name that has not been approved by the Superintendent;
- c. ensuring that its advertisements do not otherwise mislead consumers as to the terms and conditions of credit it is offering and that such advertisements disclose clearly and conspicuously the existence of material terms, conditions, and limitations relating to any advertised offer of credit;
- d. ensuring that it will not advertise terms of credit using footnotes, asterisks, small print and color contrasts that materially contradict or modify the principal message of its advertisements, and will disclose clearly and conspicuously all material information; and
- e. ensuring that its advertisements will not contain language which indicates or suggests that the mortgage broker will fund a mortgage loan.

1. Mortgage Easy agrees to develop appropriate written advertisement policies and procedures designed to ensure compliance with all applicable federal and state laws, regulations, supervisory requirements and guidance letters. The advertisement 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 guidance letters; and (ii) establish

a training program to ensure that Mortgage Easy and its employees involved in loan origination understand all applicable federal and state laws, regulations, supervisory requirements and guidance letters.

2. Within ninety (90) days from the effective date of this Agreement, Mortgage Easy agrees to submit a draft of its advertisement policies and procedures to the Department for review.

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

4. Mortgage Easy agrees to pay a fine of \$2,500 payable in ten (10) equal monthly installments as follows:

- \$250 upon execution of this Agreement
- \$250 each on or before the 15th day of immediately following nine (9) months.

5. Mortgage Easy 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. Mortgage Easy 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 Mortgage Easy's registration to engage in the business of a mortgage broker under Article 12-D of the Banking Law.

2. Mortgage Easy 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 Mortgage Easy, 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 Mortgage Easy regarding this Agreement should be sent as follows.

Attention:

Alexander Dvorin
President
Mortgage Easy, Inc.
d/b/a Congress Capital Group
1601 Gravesend Neck Road, Suite 12
Brooklyn, NY 11229

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.

Mortgage Easy, Inc.
d/b/a Congress Capital Group

By: _____

Alexander Dvorin
President

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____