

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

**RELIANT HOME FUNDING, INC.**  
**A007373**

**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 Reliant Home Funding, Inc. ("Reliant") and the New York State Department of Financial Services (the "Department" collectively, with Reliant, the "Parties") to address the violation of 3 NYCRR Part 420.18(a)(3)(v).

**I.**

**RECITALS**

1. Reliant, headquartered at 125 Baylis Road, Suite 105, Melville, NY 11747 was registered by the Department as mortgage broker on January 11, 2011, pursuant to Article 12-D of the Banking Law.

2. Sections 44 and 598 of the Banking Law provide, 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/or 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 brokering or making mortgage loans in this state.

### **UNAUTHORIZED DOMAIN NAME**

4. Mortgage brokers, such as Reliant are required to “assign MLO’s to locations licensed or registered by the superintendent.” 3 NYCRR Section 420.18(a)(3)(v). As explained in an All Industry Letter, dated June 1, 2000, the domain name of any website used by a licensee or registrant to conduct mortgage banking or mortgage brokering activities qualifies as a separate business address that must be registered with the Department.

5. The Department determined that during a period, including February 2014, Justin Schiatta, NMLS #115343, a Mortgage Loan Originator sponsored by Reliant, used the domain name “schiattamt” to solicit Mortgage Loans relating to properties in New York state, on behalf of Reliant. A sample of this website is annexed as Exhibit A and B.

6. The Department’s records reveal that Reliant failed to obtain authorization to utilize the domain name “schiattamt,” to conduct mortgage loan activities, relating to properties in New York state.

7. Accordingly, Reliant violated 3 NYCRR Section 420.18(a)(3)(v), by allowing its sponsored MLO to originate loans from an unregistered location.

## **II**

### **SETTLEMENT TERMS AND CONDITIONS**

Reliant freely and voluntarily waives its right to a hearing under Banking Law Sections 44 and 598 on such violations and agrees to take the actions listed below redress the violation cited herein.

1. Reliant 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 3 NYCRR Sections 38 and 420;
  - b. not conducting or transacting business 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. Reliant agrees to pay a fine of \$5,000 payable in ten (10) installments as follows:
- \$500 upon execution of this Agreement;
  - \$500 on or before the 15th day of each of the immediately following nine (9) months.
3. Reliant 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. Reliant acknowledges that its failure to comply with any of the terms and conditions of this Agreement may result in the Department taking action to revoke Reliant's registration to engage in the business of a mortgage broker under Article 12-D of the Banking Law.
2. Reliant 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 Reliant, 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 her designee.

4. This Agreement shall be enforceable and remain in effect unless stayed or terminated in writing by the Superintendent or her designee.

5. The effective date of this Agreement is the date on which it is executed by the Deputy Superintendent for Mortgage Banking.

6. All written communications to the Department regarding this Agreement shall 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 Reliant regarding this Agreement should be sent as follows.

Attention:

Gregory Alan Topal  
President  
Reliant Home Funding, Inc.  
125 Baylis Road, Suite 105  
Melville, NY 11747

8. This Agreement is not confidential; therefore it is available to the public.

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

**Reliant Home Funding, Inc.**

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

Gregory Alan Topal  
President

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

**New York State Department of Financial  
Services**

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

Rholda L. Ricketts  
Deputy Superintendent

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