

New York State Department
of Financial Services

-----x

In the Matter of

NATIONWIDE MORTGAGE BANKERS, INC.
B501004

SETTLEMENT AGREEMENT

A License 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 Nationwide Mortgage Bankers, Inc. (“NMB”) and the New York State Department of Financial Services (the “Department” collectively, with NMB, the “Settling Parties”) and evidences the agreement between the Parties to resolve, without a hearing, the violations of Section 101.1 (c) (1) of Supervisory Procedure MB 101 and Section 1301(a) of the New York Business Corporation Law (“Business Corporation Law”), cited herein by the Department, upon and subject to the terms and conditions hereof.

I.

RECITALS

1. NMB, headquartered at 310 A Main Street, Lebanon, NJ 08833, was granted a license by the Department on April 1, 2015 to engage in business as a mortgage banker pursuant to Article 12-D of the New York Banking Law (“Banking Law”).

2. Sections 44 and 598 of the Banking Law provide, in part, that the Superintendent of Financial Services (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/or any regulation promulgated thereunder.

3. 3 NYCRR Section 38.8 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 registrant is unfit to engage in the business of a mortgage banker.

4. NMB received authority to conduct business in the State of New York as a foreign business corporation on November 8, 2011.

5. During a review of NMB's corporate records, the Department discovered that NMB's status as an entity authorized to conduct business in New York was annulled on August 31, 2016.

6. On January 18, 2017, the Department notified NMB that as a result of the annulment, it temporarily had no authority to conduct business in this State as a foreign corporation.

7. During the period while NMB's authority to conduct business in this State was annulled, it maintained an active license with the Department and conducted mortgage loan activities in connection with properties located in New York.

8. As a result, NMB violated Section 1301(a) of the Business Corporation Law, which states that a foreign corporation shall not do business in this state unless authorized to do so.

9. Furthermore, NMB failed to notify the Department of the annulment of its corporate status in violation of Section 101.1 (c) (1) of Supervisory Procedure MB 101, pursuant to which NMB certified that the Superintendent will be promptly advised of any changes which may occur in the information furnished in the application subsequent to the date upon which the information was furnished.

10. NMB's failure to notify the Department of the dissolution resulted in the company

remaining on the roll of licensed mortgage bankers even though its authority in New York as a foreign corporation was temporarily annulled.

11. NMB was reinstated with the Department of State, effective May 12, 2017, when a cancellation of the annulment of authority was filed.

II.

SETTLEMENT TERMS AND CONDITIONS

NMB 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 violation. Therefore, in consideration of the promises and covenants set forth herein:

1. NMB 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 as well as all corporate filing requirements in the State of New York and notification requirements for the Department.

2. NMB agrees to pay a fine of \$5,000.

3. NMB further agrees that such payment should be made in immediately available funds in accordance with the Department's payment instructions. Failure to make timely payment within twenty (20) days after receiving a fully executed copy of this Agreement shall be grounds for revocation of NMB's mortgage banker license.

III.

MISCELLANEOUS TERMS AND CONDITIONS

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

2. NMB 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 NMB, any of its current or former owners, officers, directors, employees, or insiders, or their successors or assigns with respect to the violation 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.

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 NMB regarding this Agreement should be sent as follows.

Attention:

Richard Steinberg
President
Nationwide Mortgage Bankers, Inc.
310 A Main Street
Lebanon, New Jersey 08833

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

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

Nationwide Mortgage Bankers, Inc.

By: _____/s/_____

Richard Steinberg
President

Dated: _____

New York State Department of Financial Services

By: _____/s/_____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____