

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

**JOHN ANTHONY AITA JR.**  
**NMLS NO. 5758**

**SETTLEMENT AGREEMENT**

A Licensed Mortgage Loan Originator Pursuant To  
Article XII-E of the New York Banking Law

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This Settlement Agreement ("Agreement") is made and entered into by and between John Anthony Aita Jr. ("Aita") and the New York State Department of Financial Services (the "Department" and collectively with Aita, the "Settling Parties") and evidences the agreement between the Settling Parties to resolve, without a hearing, the violation of 3 NYCRR Part 420, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Sections 44 and 598 of the Banking Law provides, in part, that the Superintendent may, in a proceeding after notice and a hearing, require various persons to pay to the people of this State a penalty for a violation of the Banking Law and any regulation promulgated thereunder.

2. 3 NYCRR Section 420.21(g) of Part 420 provides that a fine may be imposed against a mortgage loan originator ("MLO") for any violation of the Banking Law, any regulation promulgated thereunder, any final or temporary order issued pursuant to Section 39 of the Banking Law, any condition imposed by the Superintendent in connection with the granting of any application or request or any written agreement entered into with the Superintendent.

3. On June 8, 2015, the Department granted Aita a license, pursuant to Article

12-E of the Banking Law and 3 NYCRR Part 420, to engage in loan origination activities as an MLO.

4. From June 8, 2015 to May 2017, Aita has been employed by Franklin First Financial, Ltd., DBA Senior Funding Group (“Franklin First”), a New York licensed mortgage banker, as an MLO.

5. The Department discovered that while employed by Franklin First, specifically during the period including April 2016, Aita utilized a radio commercial to solicit and promote residential mortgage loans.

6. Specifically, the radio commercial, in part, stated that, “A reverse mortgage might be right for you...There is absolutely no credit, income or health requirements for reverse mortgage...Stop worrying and start living again, by calling John Aita of Senior Funding Group at 516-384-8340.”

7. Additionally, the Department became aware of a banner advertisement of Aita on the WHLI Senior Moment website, [www.whli.com/senior-moment.aspx](http://www.whli.com/senior-moment.aspx), used to solicit and promote residential mortgage loans during the period, including May 2016.

8. The banner advertisement contained Aita’s name, contact information and NMLS number with the legend, “Licensed Mortgage Banker-NYS Dept of Financial Services. License #B500728 NMLS #1630.”

9. The banner advertisement falsely stated that Aita is a “Licensed Mortgage Banker-NYS Dept of Financial Services...” and provided the license and NMLS number of Franklin First.

10. Additionally, the Department determined that by disclosing the phone number 516-384-8340 in the radio advertisement and 631-393-8017 in the banner advertisement, which were used and operated by Aita, together with Franklin First’s

information could mislead borrowers into believing that the phone numbers are associated with Franklin First.

11. According to the Department records, during the periods in question, Aita was not registered as a mortgage broker nor licensed as a mortgage banker to conduct residential mortgage loan activities.

12. Accordingly, the Department has determined that Aita violated 3 NYCRR Part 420.20 (a) (4), which prohibits an MLO from publishing, advertising or displaying his or her MLO license in any manner which implies that the MLO is licensed or registered to engage in residential mortgage loan activities as a mortgage banker or broker.

## **II.**

### **SETTLEMENT TERMS AND CONDITIONS**

Aita is willing to resolve the violations by entering into this Agreement and freely and voluntarily waives his right to a hearing under Banking Law Sections 44 and 3 NYCRR Part 420.21 on such violations. In consideration of the promises and covenants set forth herein, the Settling Parties agree as follows:

1. Aita agrees to take all necessary steps to ensure his compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to his mortgage business, including, but not limited to:

- a. complying with the requirements of the Article 12-D and 12-E of the Banking Law, and 3 NYCRR Parts 419 and 420;
- b. ensuring that his activities and advertisements, do not mislead consumers into believing that he is a mortgage broker or as a mortgage banker pursuant to Article 12-D of the Banking Law;
- c. ensuring that he will not engage in prohibited conduct outlined in 3

NYCRR Section 420.20.

2. Aita agrees to pay a fine of \$3,000 payable in ten (10) installments as follows:

- \$300 upon execution of this Agreement;
- \$300 on or before the 15<sup>th</sup> day of each of the immediately following nine (9) months.

3. Aita further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.

### **III.**

#### **MISCELLANEOUS TERMS AND CONDITIONS**

1. Aita acknowledges that his failure to comply with any of the settlement terms, conditions, and timeframes of this Agreement may result in the Department taking action to suspend and/or revoke his MLO license.

2. Aita 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 Aita 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 of Banks for Mortgage Banking.

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 Aita regarding this Agreement should be sent as follows.

Attention:

John Anthony Aita Jr.  
6 Valley View Rd.  
Great Neck, New York 11021

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.

By: \_\_\_\_\_ / s / \_\_\_\_\_

John Anthony Aita Jr.  
Mortgage Loan Originator

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

New York State Department of Financial Services

By: \_\_\_\_\_ / s / \_\_\_\_\_

Rholda L. Ricketts  
Deputy Superintendent

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