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In the Matter of

SIRVA MORTGAGE, INC.
B500370

SETTLEMENT AGREEMENT

A Licensed Mortgage Banker Pursuant To
Article 12-D of the New York Banking Law
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This Settlement Agreement (“Agreement”) is made and entered into by and between SIRVA Mortgage, Inc. (“SMI”) and the New York State Department of Financial Services (the “Department,” and collectively with SMI, the “Parties”) evidencing an agreement between the Parties to resolve, without a hearing, the violation of Section 594-b(1) of Article 12-D of the New York Banking Law (“Banking Law”), upon and subject to the terms and conditions hereof.

I.

RECITALS

1. SMI headquartered at 6200 Oak Tree Boulevard, Suite 300, Independence, OH 44131, was licensed by the Department as a mortgage banker on March 21, 1994 and exempt mortgage loan servicer on November 30, 2012 to engage in the business of mortgage banking and mortgage loan servicing, 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 of the State of New York (“Superintendent”), may in a proceeding after notice and a hearing, require a licensed mortgage banker and mortgage loan servicer 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(a) provides that a mortgage banker and an exempt organization 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 violation of state or federal law

indicating that the entity is unfit to engage in the business as a mortgage banker and mortgage loan servicer.

Unauthorized Change of Control

4. Section 594-b(1) requires a licensee or registrant to obtain the prior approval of the Superintendent for any action to be taken which results in a change of control of a business of a licensee or registrant.

5. By letter dated May 31, 2018, SMI submitted a change of control application on behalf of Pearl Business Trust later changed to SIRVA Business Trust with the effective date of July 16, 2018.

6. On August 2, 2018, such ownership of SMI was consummated reflecting Pearl Business Trust as indirect owner of SMI.

7. A review of the Department's records disclosed that the aforementioned change of control application was not approved by the Superintendent before it was consummated.

8. As a result, SMI is in violation of Section 594-b(1) of the Banking Law, which because it failed to obtain the prior approval of the Superintendent for action it took which resulted in a change of control of its business.

II.

SETTLEMENT TERMS AND CONDITIONS

IT IS HEREBY UNDERSTOOD AND AGREED by SMI and all subsidiaries, affiliates, successors, assigns, agents, representatives, and employees, that:

9. SMI is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives its right to a hearing under Sections 44 and 598 of the Banking Law and appeal on such violations. Therefore, in consideration of the promises and covenants set forth, herein, the Parties agree as follows:

10. SMI agrees to take all necessary steps to ensure its compliance with all applicable

11. federal and state laws, regulations and supervisory requirements relating to its mortgage business, including but not limited to, obtaining the prior approval of the Superintendent for any action that would result in a change of control of SMI.

12. SMI shall pay a fine of \$5,000.00, as penalty, to the Department no later than ten (10) days after the effective date of this Agreement.

13. The payment shall be made by wire transfer in accordance with the Department's payment instructions.

14. Neither SMI, nor any of its parents, subsidiaries, or affiliates shall, collectively or individually, seek or accept, directly or indirectly, reimbursement or indemnification including but not limited to payment made pursuant to any insurance policy, or from any of its parents, subsidiaries, or affiliates, with regard to any or all of the amount payable pursuant to this Agreement.

15. SMI agrees that it will not claim, assert, or apply for a tax deduction or tax credit with regard to any U.S. federal, state or local tax, directly or indirectly, for any portion of the penalty paid pursuant to this Agreement.

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. SMI acknowledges that its failure to comply with any of the terms and/or conditions of this Agreement may result in the Department taking action to suspend or revoke its license to engage in business as a mortgage banker and mortgage loan servicer under Article 12-D of the Banking Law.

2. The Superintendent has agreed to the terms of this Agreement based on the representations made to the Department, or the written material submitted to the Department, by SMI either directly or through its counsel and the Department's findings. To the extent that the written representations or written submissions, made by SMI to the Department either directly or through its counsel are later found to be materially incomplete or inaccurate, this Agreement is voidable by the Superintendent in her sole discretion.

3. Upon the request of the Department, SMI shall provide all documentation and information necessary for the Department to verify full compliance with this Agreement.

4. SMI represents and warrants, through the signature below, that the terms and conditions of this Agreement were duly approved, and execution is duly authorized.

5. This Agreement and any dispute thereunder shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

6. SMI waives all rights to further notice and hearing in this matter as to any allegations of past violations up to and including the effective date of this Agreement and agrees that no provision of this Agreement is subject to review in any court or tribunal outside of the Department.

7. In the event that one or more provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.

8. SMI 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 SMI, 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 related or not to such violations.

9. This Agreement may not be altered, modified or changed unless in writing signed on behalf of all parties to this Agreement.

10. This Agreement shall be enforceable and remain in effect unless stayed, modified, suspended or terminated in writing by the Superintendent.

11. This Agreement may be executed in one or more counterparts. The effective date of this Agreement is the date on which it is executed by the Deputy Superintendent.

12. 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, NY 10004

13. All written communications to SMI regarding this Agreement shall be sent as follows:

Attention:

Paul Klemme
President
SIRVA Mortgage, Inc.
6200 Oak Tree Boulevard, Suite 300
Independence, OH 44131

14. The Agreement is not confidential; the Parties understand that it made be made available to the public.

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

SIRVA Mortgage, Inc.

By: _____ / S / _____

Paul Klemme
President

Dated: _____

New York State Department of Financial Services

By: _____ / S / _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____