UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE VIII

CONCILIATION AGREEMENT

Between

XXXXXXXXX

(Complainants)

And

Luxury Mortgage Corporation, et al.

(Respondents)

CASE NUMBER: 02-11-0581-8

A. PARTIES

Complainants

XXXXXXXXXX
AddressXXXXX

Respondents

Luxury Mortgage Corporation
One Landmark Square, Suite 100
Stamford, Connecticut 06901

XXXXXXXXX
Luxury Mortgage Corporation
One Landmark Square, Suite 100
Stamford, Connecticut 06901

Robert Grosser, President
Luxury Mortgage Corporation
One Landmark Square, Suite 100
Stamford, Connecticut 06901

David Adamo, CEO/Director
Luxury Mortgage Corporation
One Landmark Square, Suite 100
Stamford, Connecticut 06901

B. STATEMENT OF POSITIONS

1. Complainant's Position

On June 8, 2011, the [Complainant], XXXXXXXX and her husband, XXXXXXXX filed a complaint with the U.S. Department of Housing and Urban Development (the "Department" or "HUD") alleging that Luxury Mortgage Corporation ("LMC") and its employee XXXXXXX discriminated against them on the basis of their familial status and [Complainant]'s sex, in violation of the Federal Fair Housing Act, 42 U.S.C. §§3601-19. More specifically, Complainant alleges that on May 25, 2011, Luxury Mortgage Corporation denied her a loan because she was on maternity leave. [Complainant] alleges that, on May 26, 2011, her employer provided a letter to Luxury Mortgage Corporation attesting that [Complainant]'s employment has been active since

February 2006 and that she was on a paid leave from May 3, 2011 until July 12, 2011. [Complainant] alleges that XXXXXXXXXX, the agent of Luxury Mortgage Corporation, told her that the letter was not good enough to grant her the loan and argued that according to "worknumber.com", an employment verification service provider, [Complainant] was "on leave."

Under 42 U.S.C. § 3604(c) (Section 804(c) of the Act), it is illegal "[t]o make, print, or publish, or cause to be made, printed, or published, any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, national origin, or an intention to make any such preference, limitation, or discrimination." In addition, 42 U.S.C. § 3604(a) makes it unlawful to "otherwise make unavailable or deny" a dwelling because of sex and/or familial status and 42 U.S.C. § 3605 makes it unlawful to discriminate against any person in making available a real estate-related transaction, such as a loan, and to discriminate in the terms and conditions of such a loan because of sex and/or familial status.

2. LMC's Position

LMC stated that at no time did LMC discriminate against [Complainant] due to her gender or familial status. LMC asserts that it was merely seeking proof of income and apparently during that process, the Complainant became frustrated. LMC further stated that Complainant's loan was denied solely because of her specific request for a denial letter and statement that she would obtain a loan elsewhere. Until receiving her request, LMC was diligently seeking the required information from the [Complainant's] employer.

3. Conciliation

HUD has not reached a final determination regarding the complaint pursuant to 42 U.S.C. § 3610(g). Nonetheless, the Complainants and Respondents have continued discussions in an effort to resolve the matter voluntarily. Although the Complainants and Respondents ("the parties") have differing views of the operative facts, they have been able to reach an agreement that meets the interests of each party and thus enter this conciliation agreement ("Agreement").

C. TERM OF AGREEMENT

This Agreement shall be in effect for a period of one (1) year from the effective date of the Agreement, unless an extension is necessary to complete the actions mandated by the Agreement.

D. EFFECTIVE DATE

The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a conciliation agreement pursuant to the Act, unless and until such time as it is approved by Complainants, Respondents and the Regional Director for Region II (or his or her designee) of Fair Housing and Equal Opportunity ("Regional Director") at the U.S. Department of Housing and Urban Development (the "Department" or "HUD").

This Agreement shall become effective on the date on which it is signed by the Regional Director.

E. GENERAL PROVISIONS

1. The parties acknowledge that this Agreement is a voluntary and full settlement of all issues related to the Department's investigation and the disputed Complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened or in any way forced to become a party to this Agreement. The parties knowingly and voluntarily agree to the terms of the Agreement.

2. Respondents acknowledge that the Act makes it unlawful to retaliate against any person because that person has made a complaint, testified, assisted or participated in any manner in a proceeding under the Act. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement and a statutory violation of the Act.

3. The parties to this Agreement agree that, after it has been approved by the Regional Director, it is binding upon them, their employees, heirs, successors and assigns and all others in active concert with them in the ownership or operation of their respective organization's services.

4. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the Regional Director, it is a public document.

5. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Act, or any other complaint within the Department's jurisdiction. This Agreement does resolve all issues that the Regional Director has raised or could have raised in the complaint regarding Respondent's treatment of female applicants who were on, or scheduled to be on, pregnancy, maternity or parental (including adoption) leave. However, this

Agreement does not preclude the Regional Director from performing the normal duties under the Fair Housing Act related to investigating individual complaints alleging discrimination.

6. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification or waiver is approved and signed by the Regional Director .

7. The parties agree that the execution of this Agreement may be accomplished by separate executions of consent to this Agreement, and that the original executed signature pages attached to the body of the Agreement constitute one document.

8. For purposes of this Agreement, any reference to "day" or "days" shall mean calendar days.

F. SETTLEMENT TERMS

1. Within 30 days after the date of entry of this Consent Decree, LMC shall pay to [the Complainant] the sum of $12,000.00 in full settlement of any and all claims that [the Complainant] could bring arising out of the allegations underlying the investigation or presented in the Complaint. Such payment shall be by check. LMC shall send a copy of the check to the Regional Director. Upon receipt of the check, the Regional Director, shall send to LMC a release executed by the Complainant releasing all claims, legal or equitable, that Complainant may have against Respondents relating to the allegations underlying the claims asserted in the Complaint.

G. PROVISIONS IN THE PUBLIC INTEREST

1. LMC will adopt, with the Department's advance approval, a company policy addressing the availability of all home loan products regardless of an Applicant's status as pregnant or an Applicant taking pregnancy, maternity or parental (including adoption) leave.

2. LMC will adopt revised underwriting rules, with the Department's advance approval, to ensure nondiscrimination in underwriting loans based on an Applicant's status as pregnant or as a parent, or an Applicant taking pregnancy, maternity or parental (including adoption) leave, and will provide a copy of such rules to all staff, contractors, servicers or others involved in loan approvals, modifications or originations.

H. EVALUATING AND MONITORING COMPLIANCE

1. LMC shall retain all records relating to its obligations hereunder. The Department shall have the right to review and copy such records upon request. LMC shall provide the Department with the following:

a. The revised company policy within 60 days of the date of this Agreement; and

b. A copy of the revised underwriting rules together with documentation that these rules have been provided to all staff, contractors, servicers or others involved in loan approvals, modifications or originations, etc. within 180 days.

2. On the one year anniversary of this Agreement, LMC shall make a report to the Department on its progress in fulfilling the goals of this Agreement. The report shall provide a complete account of LMC's actions to comply with each requirement of this

Agreement during the previous year, an objective assessment of the extent to which each quantifiable obligation was met, an explanation of why any particular component fell short of meeting its goal for that year, and any recommendations for additional actions to achieve the goals of this Agreement.

I. ADMINISTRATION

1. The requirements of this Agreement shall be in effect for one (1) year, unless an extension is necessary to complete the actions mandated by the Agreement. However, the revised policy and underwriting rules/standards shall remain in place unless and until there is a change in statutory requirements necessitating a change. HUD shall have the authority to verify compliance with the underwriting requirements and policy changes as outlined in the Agreement at any time.

2. Any time limits for performance fixed by this Agreement may be extended by the Regional Director at his sole discretion.

3. LMC's compliance with the terms of this Agreement shall fully and finally resolve all claims of the Department relating to LMC's alleged violation of the Act by means of discriminating against persons on the basis of their pregnancy, maternity or parental (including adoption) leave status, including all claims for equitable relief and monetary damages and penalties. Each party to this Agreement shall bear its own costs and attorney's fees associated with this matter.

4. The Department shall retain jurisdiction of this matter for the duration of this Agreement to enforce the terms of the Agreement.

5. The execution of this Agreement may be accomplished by separate execution of consents to this Agreement, and the original executed signature pages attached to the body of the Agreement constitute one document.

6. The Complainants hereby forever waive, release, and covenant not to sue the Department or the Respondents, their heirs, executors, assigns, agents, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature, whether presently known or unknown, including attorneys fees and costs, arising out of the subject matter of HUD Case Number 02-11-0581-8, or which could have been filed in any action or suit arising from said subject matter.

7. The Respondents hereby forever waive, release, and covenant not to sue the Department or the Complainant and their successors, assigns, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 02-09-0393-8 which could have been filed in any action or suit arising from said subject matter.

WHEREFORE, the parties hereto have duly executed this Agreement:

J. SIGNATURES

XXXXXXXXXX Complainant	Date
XXXXXXXXXX Complainant	Date

K. APPROVAL

Tang-Chi Yeh, Equal Opportunity Specialist Office of Fair Housing and Equal Opportunity	Date
Frank Vespa-Papaleo, Chief Enforcement Branch Office of Fair Housing and Equal Opportunity	Date
Jo-Ann Frey, NY Center Director Office of Fair Housing and Equal Opportunity	Date
Jay Golden, Region II Director Office of Fair Housing and Equal Opportunity	Date

J. SIGNATURES

Luxury Mortgage Corporation
Respondent

By : _____ _____
Date

_____ _____
Robert Grosser, President of LMC Date
Respondent

_____ _____
David Adamo, CEO/Director of LMC Date
Respondent

_____ _____
XXXXXXXXXX Date
Respondent

K. APPROVAL

_____ _____
Tang-Chi Yeh, Equal Opportunity Specialist Date
Office of Fair Housing and Equal Opportunity

_____ _____
Frank Vespa-Papaleo, Chief Date
Enforcement Branch
Office of Fair Housing and Equal Opportunity

_____ _____
Jo-Ann Frey, NY Center Director Date
Office of Fair Housing and Equal Opportunity

_____ _____
Jay Golden, Region II Director Date
Office of Fair Housing and Equal Opportunity