



Federal Housing Finance Agency

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FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (the “regulated entities”), is issuing this Proposed Order pursuant to the following legal authorities:

1. Section 1313B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. *See* 12 U.S.C. 4513b(b)(2)(B)(iii).
2. Section 1319G of the Safety and Soundness Act authorizes FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. *See* 12 U.S.C. 4526(a).
3. Section 1313 of the Safety and Soundness Act authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of each regulated entity. *See* 12 U.S.C. 4513(a)(2).

Consistent with these authorities, FHFA has determined that any business relationship between Gary Natkin and a regulated entity would present excessive risk to the safety and soundness of the regulated entity.

This determination is based on the following findings:

On March 3, 2015, Gary Natkin entered into an Agreement of Deferred Prosecution with the United States of America in which Gary Natkin agreed that:

1. He was a real estate broker licensed by the State of Illinois.
2. He and co-conspirators knowingly devised and participated in a scheme to defraud and to obtain money and property from JP Morgan and the Federal Home Loan Mortgage Corporation by means of materially false and fraudulent pretenses, representations, and promises, which scheme affected a financial institution, and for purposes of executing the scheme did cause wire communications to be sent in interstate commerce.

3. He is prohibited from directly or indirectly participating in the affairs of any financial institution insured by the Federal Deposit Insurance Corporation (FDIC) except with the prior written consent of the FDIC and, during the ten years following his entry into the pretrial diversion agreement, the additional approval of the United States District Court Northern District of Illinois Eastern Division.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Gary Natkin indefinitely, beginning on February 8, 2019. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Gary Natkin.

The Final Order's requirement for regulated entities to cease any business relationship with Gary Natkin does not apply to the existing or future purchase, sale, modification, foreclosure alternative transaction, or other foreclosure-related transaction of a residential mortgage loan owned by a regulated entity, if Gary Natkin is the borrower of such residential mortgage loan and the transaction is for the borrower's own personal or household residence.

This Final Order is a final action of the Federal Housing Finance Agency.



Alfred M. Pollard, Suspending Official

12-21-2018
Date