



# 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 Final 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 Kyriakos Mavroulis 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:

1. Kyriakos Mavroulis was a vice president of Fidelity Home Mortgage Corporation (FHMC) and the person in charge of the mortgage-backed securities (MBS) at FHMC.
2. Kyriakos Mavroulis and others knowingly and willfully conspired and agreed together and with others to defraud the Government National Mortgage Association (GNMA) by impeding, obstructing, and defeating the lawful governmental functions of GNMA to oversee the full and timely payment of monthly principal and interest payments on MBS to investors.

3. Kyriakos Mavroulis and others engaged in the conspiracy to enrich themselves by diverting the proceeds of FHA claims from foreclosed mortgage loans to their own use and benefit instead of passing the funds on to GNMA.
4. On January 9, 2014, the U.S. Department of Housing and Urban Development (HUD) debarred Kyriakos Mavroulis from procurement and non-procurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of the Federal Government for an indefinite period from February 12, 2012.
5. On May 17, 2012, Kyriakos Mavroulis was convicted in the United States District Court for the District of Maryland of (i) embezzlement and conversion of United States money and (ii) Aiding and abetting.
6. As described in the Indictment filed in the United States District Court for the District of Maryland on September 16, 2010, the conduct underlying the conviction listed above occurred in connection with a financial transaction.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Kyriakos Mavroulis indefinitely, beginning on April 9, 2017. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Kyriakos Mavroulis.

The Final Order's requirement for regulated entities to cease any business relationship with Kyriakos Mavroulis 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 Kyriakos Mavroulis 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.

  
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Alfred M. Pollard  
Suspending Official

2-7-2017  
Date: