

ATTORNEY GENERAL OF THE STATE OF NEW YORK  
CIVIL RIGHTS BUREAU

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In the Matter of

Assurance No. 24-065

**Investigation by Letitia James,  
Attorney General of the State of New York, of**

Shamco Management Corp.,

Respondent.

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**ASSURANCE OF DISCONTINUANCE**

The Office of the Attorney General of the State of New York (“OAG”) commenced an investigation pursuant to the New York State Human Rights Law (NYSHRL, specifically Executive Law § 296(5)) and the New York City Human Rights Law (NYCHRL, specifically New York City Administrative Code § 8-107(5)) into whether Shamco Management Corp. (“Shamco” or “Respondent”) unlawfully discriminated against prospective tenants based on their lawful source of income, particularly those with Housing Subsidies. This Assurance of Discontinuance (“Assurance”) contains the findings of the OAG’s investigation and the relief agreed to by OAG and Respondent (collectively, the “Parties”).

**DEFINITIONS**

1. As used throughout this Assurance, the terms set forth below shall have the following meanings.
  - a. “Assurance” means this Assurance of Discontinuance.
  - b. “Effective Date” means the date this Assurance is executed by the Parties.
  - c. “Housing Subsidies” means federal, state, or local governmentally funded, housing assistance program or benefit including, but not limited to, the New York City Family

Homelessness & Eviction Prevention Supplement (“FHEPS” or “CityFHEPS”), the Section 8 housing voucher program, Section 8 housing certificate program, and the Section 8 program, administered pursuant to 42 U.S.C. § 1437 et seq. The terms housing subsidies, government vouchers, and housing vouchers are used interchangeably herein.

- d. “Lawful source of income” is defined as “... any form of federal, state or local public assistance or housing assistance including but not limited to section 8 vouchers...” N.Y. Exec. Law § 292(36). Under New York State law, owners, landlords, property managers and rental agents are therefore not permitted to refuse potential tenants solely because they receive lawful housing assistance. Discrimination based on lawful source of income discrimination is also unlawful pursuant to the NYCHRL. Owners, lessees, sublessees, assignees and/or managing agents are prohibited from refusing prospective tenants’ applications and/or refusing to rent housing accommodations to any person based on their sources of income.
- e. “Shamco” means Shamco Management Corp.
- f. Terms of construction:
  - (i) “And” and “or” shall be construed conjunctively or disjunctively as necessary to make the meaning inclusive rather than exclusive.
  - (ii) “All” means “any and all” and “any” means “any and all.”
  - (iii) “Concerning” means relating to, referring to, describing, evidencing, regarding, reflecting, or constituting.
  - (iv) “Day” refers to a calendar day.
  - (v) “Including” means without limitation.

- (vi) The singular of any word includes the plural; the plural of any word includes the singular.

### **THE OAG'S FINDINGS**

2. The OAG finds that the Respondent discriminated against prospective tenants by refusing to rent, lease, negotiate or by withholding the ability to apply for housing accommodations because of a person's lawful source of income, specifically, the use of Housing Subsidies, in violation of N.Y. Exec. Law § 296(5) and N.Y.C. Admin. Code § 8-107(5).
3. Shamco owns, manages and/or operates approximately 31 residential multifamily buildings, composing of approximately 1,298 housing units within New York City, including some housing units subject to rent-stabilization laws and some that are not. As of 2021, Shamco owns, manages, and/or operates approximately 1,161 rent stabilized units in New York City.
4. Shamco is organized under New York Law.
5. Shamco is a covered housing provider and is a person under the NYSHRL and NYCHRL.
6. In 2021, OAG received information alleging that Shamco may have engaged in a pattern or practice of source of income housing discrimination against voucher holders in violation of state and New York City law. This included allegations of ghosting, not responding to, or otherwise setting different terms and conditions for prospective tenants with housing subsidies and otherwise discriminating against their lawful source of income compared to non-voucher holders.

7. By means of a subpoena duces tecum, dated on or about December 21, 2021, OAG launched a formal investigation to determine whether Shamco and its agents, including its brokers, comply with the lawful source of income anti-discrimination provisions of the NYSHRL and NYCHRL.
8. The OAG finds that Shamco and its agents persistently withheld opportunities to view available apartments or otherwise lease to prospective tenants after they disclosed that they had a housing voucher. For example, Shamco and its agents treated voucher and non-voucher applicants differently by engaging with an applicant up until the voucher holder revealed they had a voucher.
9. The OAG further finds that at least one Shamco employee was trained by a Shamco supervisor to mark all prospective tenants who contacted Shamco with a Section 8 voucher as “not qualified,” regardless of their credit score or other factors. A review of a “leads list” of 42 prospective tenants found that 39 applicants with vouchers were marked as “not qualified.” The OAG finds these determinations were solely due to the applicant’s voucher status and not because of a non-discriminatory reason.
10. The OAG also finds that Shamco engaged in a practice where, upon discovering a prospective tenant had a voucher, employees would falsely and deliberately inflate the rent slightly above the voucher limit. This tactic was used to ensure that voucher holders could not qualify for a Shamco apartment with their voucher, despite the actual rent being within the payment standard.
11. At least one employee was instructed by supervisors to engage in a practice where, upon discovering a prospective tenant had a voucher during an apartment tour, the employee was told to fabricate a reason for delaying the rental process. Subsequently, during a

follow-up communication, the employee was instructed to falsely inform the prospective renter that the apartment had been rented, despite it being available for rent.

12. The OAG further finds that on at least four occasions, brokers working with Shamco ceased responding to applicants or otherwise discriminated against them after they disclosed having a Section 8 or CityFHEPS housing voucher.
13. In one instance, after the broker working with Shamco encouraged the applicant to set up a site visit or simply ask questions, the applicant was subsequently told that Shamco “does not accept vouchers at this time.”
14. The OAG further finds that two brokers working on behalf of and to benefit Shamco were told contradictory policies of how they should interact and show apartments to voucher holders, resulting in unfavorable treatment of voucher holders with Shamco properties compared to non-voucher holders. The OAG also finds agents working with Shamco had received different instructions on Shamco’s policy of renting to voucher holders, leading to inferior treatment of prospective tenants with vouchers compared to non-voucher holders.
15. The OAG finds that the conduct of Shamco and their agents is unlawful under the NYSHRL and NYCHRL.
16. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest.
17. Shamco neither admits to nor denies the OAG’s Findings, paragraphs 2-15 above.
18. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the OAG is willing to accept this Assurance pursuant to N.Y. Exec. Law § 63(15), in lieu of commencing a statutory proceeding for violations

of N.Y. Exec. Law § 296(5) and the N.Y.C. Admin. Code § 8-107(5) based on the conduct described above that occurred from December 21, 2018 to December 21, 2023.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

**RELIEF**

**General Provision**

19. Shamco shall not engage or attempt to engage in conduct in violation of any applicable laws, including but not limited to the source of income provisions of the NYSHRL and NYCHRL. Specifically, Shamco and all of its agents, employees, contractors, successors, and all other persons acting in concert with or on behalf of Respondents—including via either an employer/employee relationship, an exclusive contractual agreement, or otherwise acting in Shamco’s direction or control—shall be permanently enjoined from violating NYSHRL and NYCHRL. Shamco expressly agrees and acknowledges that any such conduct is a violation of the Assurance, and that the OAG thereafter may commence the civil action or proceeding contemplated by this Assurance, in addition to any other appropriate investigation, action, or proceeding. Nothing in this Assurance shall create liability for Shamco for the actions or inactions of individuals not under Shamco’s control.

**Programmatic Relief: Non-Discrimination Policy and Notice to the Public**

20. Within thirty (30) days of the date of execution of this Assurance, Shamco shall distribute or cause to be distributed a non-discrimination policy stating that Shamco complies with all applicable local and federal fair housing laws, including the NYSHRL and

NYCHRL's lawful source of income provisions, to its employees, supervisors, and agents who are under Shamco's control or direction and who have responsibility for responding to inquiries, showing, renting or contracting, managing, supervising, or otherwise operating any dwellings on its behalf, such as its brokers and salespersons it works with. Shamco shall include the same non-discrimination policy in all housing application materials for its units.

21. Within thirty (30) days after the Effective Date of this Assurance, Shamco shall also post an "Equal Housing Opportunity" sign at its residential properties in New York City in English and Spanish at well-lit locations in which the sign is easily readable. The sign must be no smaller than eleven inches by fourteen inches (11" x 14") and the sign must have the contact information for the U.S. Department of Housing and Urban Development ("HUD"), New York City Commission on Human Rights ("CCHR"), and the New York State Division on Human Rights ("DHR"). Upon posting, Shamco shall submit proof of postings by certification or affirmation in writing, under penalty of perjury, and signed by Shamco's principal, or an affirmation or certification by counsel.
22. In all advertisements and listings posted by Shamco or on its behalf for rentals—including advertisements and listings in newspapers, Shamco's website and social media page, third party internet websites and social media pages, flyers, handouts, telephone directories, signs (including at or near the rental properties) and on all rental applications and all leases—Shamco must include either: (1) a fair housing logo and the words "Equal Housing Opportunity Provider," or (2) the words "We are an Equal Opportunity Housing Provider. We do not discriminate based on race, color, national origin, religion, sex, or other protected classes under the law." The logo and/or words should be legible and

prominently placed. In addition, Shamco shall include in all its listings that government housing subsidies are accepted. Nothing in this paragraph shall render Shamco responsible for any communications made by brokers or other individuals over whom Shamco has no control.

**Programmatic Relief: Training and Education**

23. Within 90 days of execution of this Assurance, Shamco's employees who have responsibility for responding to inquiries, showing, renting or contracting, managing, supervising, or otherwise operating any dwellings on its behalf shall attend training on this Assurance and the NYSHRL and NYCHRL, including the laws' provisions relating to lawful source of income. The trainer or training entity must be qualified to perform such training, must not be an employee of Shamco, and is subject to the OAG's approval. Shamco agrees to provide the OAG a proposed training agenda and materials 30 business days in advance of the training. The OAG agrees to not unreasonably withhold approval of any fair housing trainer proposed by Shamco. Shamco will bear the costs of any expenses associated with this training. This training may be live, remote, or pre-recorded video.
24. Shamco shall obtain from the trainer or training entity a separate certificate of attendance signed by every person who attends the training or a log or sign-in sheet of individuals who attend the training. The certificates or log shall include the name of the course, the date the course was taken, the subject matter covered in the course, and the length of the course and/or time within which the course was completed. If a trainee leaves the training more than five minutes early or arrives more than five minutes late, they shall not be counted as completing the training.



**Programmatic Relief: Reporting and Document Retention Requirements**

25. For three (3) years after the Effective Date of this Assurance, Shamco shall provide to the OAG notification and documentation of the following events:
  - a. Any changes to Shamco's rules or practices related to government subsidies, including but not limited to credit score criteria and income tests, within thirty (30) days of those changes; and
  - b. Proof of completion of the training and other requirements subject to paragraphs 23 and 24 within thirty (30) days of completion.
26. Shamco can satisfy the reporting requirements under paragraphs 23-25 with a certification or affirmation containing sufficient information to apprise the OAG of the events. This certification or affirmation shall be in writing, under penalty of perjury, and signed by Shamco's principal, or an affirmation or certification by counsel.
27. Shamco shall preserve all records that are the source of, contain, or relate in any way to its compliance obligations under this Assurance. Upon reasonable notice, no less than 30 days, to counsel for Shamco, representatives of the OAG shall be permitted to inspect and copy all such non-privileged relevant business records or otherwise be provided a copy of such non-privileged relevant documents.

**Affirmative Programmatic Relief: Outreach and Rent Ups**

28. In lieu of civil penalties payable to the State of New York and a larger monetary restitution that could have been imposed by this Assurance, Respondent agrees to a program, detailed below, of affirmative outreach and rental of available apartments to Housing Subsidy holders in order to provide prospective tenants holding government

housing subsidies meaningful opportunities to rent housing in Respondent's housing portfolio.

29. By one year from the Effective Date, Shamco agrees to rent 65 units within its entire portfolio it either owns or manages to tenants holding Housing Subsidies. The following additional conditions shall apply to applicants for these units:

- a. Applicants with Housing Subsidies that cover the entire rent will not be subject to minimum income tests, credit score requirements, or any other screening tool that violates state and local source of income non-discrimination laws;
- b. All initial leases intended to count towards the 65 units will be for at least a one-year term, but all such tenants will additionally be offered a one-year renewal lease at least ninety (90) days before the expiration of their initial lease, and if accepted by the tenant, Shamco will enter into said lease. If an apartment is rent regulated under local or state law, then the renewal lease process and rules are subject to the applicable rent stabilization law;
- c. Compliance with the provisions of paragraphs 29-30 does not relieve Shamco of its ongoing legal obligation to lease vacant units without discriminating against an applicant's lawful source of income;
- d. Only new tenancies that begin on or after December 1, 2023 for tenants with Housing Subsidies will count towards the allotment of 65 units, contingent that such rental otherwise complies with the terms of paragraph 29;
- e. Shamco, in its sole discretion, will determine which units shall be used to meet its obligations under this paragraph subject to anti-steering prohibitions of the NYSHRL and NYCHRL; and

- f. Shamco shall provide formerly unhoused and unsheltered tenants who pay rent with fully subsidized rent vouchers the same services and rights as other tenants.
30. Beginning with the Effective Date of this Assurance, Shamco will list apartment vacancies offered at properties they own and/or manage which are eligible for government subsidies at <https://www.affordablehousing.com> and other affordable housing advertising outlets. Shamco may also notify HPD or NYCHA about available apartments. The email for HPD is [housingchoice@hpd.nyc.gov](mailto:housingchoice@hpd.nyc.gov). The email for NYCHA is [hnu@nycha.nyc.gov](mailto:hnu@nycha.nyc.gov) and [dhia.barnes@nycha.ny.gov](mailto:dhia.barnes@nycha.ny.gov).
31. Within thirty (30) days of the Effective Date of the Assurance and every twelve (12) months thereafter, for up to three (3) years from the Effective Date or one (1) year after Shamco meets their obligation contemplated in paragraph 29, whichever is sooner, Shamco shall submit its tenant spreadsheet portfolio-wide that identifies the total number of Housing Subsidy tenancies in its portfolio. This spreadsheet will include the building address and unit number, monthly rent, size (i.e., number of bedrooms and bathrooms), primary tenant name and contact information (i.e., telephone number and email address, if available), and the date the unit was leased to the voucher holder, and any and all lease renewal dates.
32. If Shamco believes it will not meet its obligations under paragraph 29 to tenants with Housing Subsidies by six (6) months after the Effective Date of the agreement, Shamco may apply to the OAG, on or before one (1) month before that date, for up to two (2) extensions of time of six (6) months to meet the 65-unit requirement. Should Shamco need additional extensions, Shamco may apply for additional extensions. Any extension is subject to the following conditions:

- a. Shamco shall provide a detailed explanation of the steps they took to comply with the requirements of paragraph 29 and how their non-compliance was outside their control, including, by way of example only: records documenting the lack of vacancies in the buildings during that period of time, their attempts to reach out affirmatively to voucher holders, or prospective tenants rejecting the apartment after they were approved by Shamco. The request will also provide a specific date by which Shamco intends to meet its obligations under paragraph 29, not to exceed three (3) months from the previous deadline, and include any other steps Shamco is taking to ensure compliance, such as additional affirmative outreach, training, additional supervision, or other changes to its policies and practices.
  - b. Any application for an extension shall be submitted with a certification or affirmation, under penalty of perjury, signed by Shamco's principal, or an affirmation or certification by counsel.
  - c. The parties agree that in the event of default or material breach by Shamco, the parties will meet and confer, and Shamco shall be given an opportunity to come into compliance.
33. The OAG shall grant extension(s) contemplated in paragraph 32 if it finds, based on the application described above, that Shamco took reasonable steps to comply with the 65-unit obligation and Shamco has otherwise made good faith efforts to rent units to Housing Subsidy holders without success. OAG shall solely determine whether Shamco should be granted an extension, but shall not unreasonably deny such request(s) for extension(s). OAG is permitted to grant multiple extensions for Shamco to meet its 65-unit obligation, provided that Shamco has submitted the application, 30 days prior to the

existing extension deadline. Extensions will not be granted beyond three (3) years after the Effective Date unless OAG and Shamco agree to a new deadline in writing consistent with paragraph 36.

34. If Shamco continues to be in default of its obligations for the 65 units contemplated in paragraph 29 and it has not been granted an extension by OAG, Shamco shall pay liquidated damages in the amount of One Thousand Dollars (\$1,000.00) per unit per month that Shamco is in default, until such time as they have satisfied their obligation to rent 65 units pursuant to paragraph 29. Once Shamco has rented 60 or more such units, a cap on liquidated damages of \$500,000 will apply. Payments shall be made payable to the “State of New York” within 30 days of notice from OAG of the default, to be distributed to the Affordable Housing-AG Settlement Fund established by the City of New York Department of Housing Preservation and Development (“HPD”). All payments over Fifty Thousand Dollars (\$50,000.00) shall be made by wire transfer.
35. In addition to the paragraph 34, Shamco agrees to deposit the total amount of \$500,000.00 into an interest-bearing escrow account maintained by its counsel (the “Escrow Account”) within fifteen (15) business days of the Effective Date of the Assurance. The Escrow Account shall be used to satisfy any liquidated damages accrued pursuant to paragraph 34. In the event Shamco fails to make the liquidated damages payments in full contemplated by paragraph 34, OAG shall have the right to recover additional monies from the Escrow Account. Once Shamco’s obligations under paragraph 29 have been met, Shamco shall be entitled to recover all amounts remaining in the Escrow Account, and the Escrow Account shall be closed. Payments shall be made payable to the “State of New York” within 30 days of notice from OAG, to be distributed

to the Affordable Housing-AG Settlement Fund established by the City of New York Department of Housing Preservation and Development (“HPD”). All payments over Fifty Thousand Dollars (\$50,000.00) shall be made by wire transfer.

36. Additionally, Shamco agrees that, in its capacity as owner and/or property manager, it will not seek application fees from Housing Subsidy holders for rental tenancies that exceed the maximum allowable, one-time application fee that may be legally charged of Twenty Dollars (\$20.00) (or the currently legally permitted application fee and/or other charges or fees at the time of submission of the application). This restriction applies to prospective sublessees of co-operative apartments for rental also pursuant to Real Property Law § 238-a and General Obligations Law 7-108.<sup>1</sup> Notwithstanding other provisions of law, nothing in this Assurance restricts Shamco’s ability to receive such fees or payments from any other lawful source, other than the Housing Subsidy holder.
37. Shamco expressly agrees and acknowledges that a default in the performance of any obligation under the above paragraphs 28-36 regarding programmatic relief is a violation of the Assurance and that the OAG thereafter may commence the civil action or proceeding, in addition to any other appropriate investigation, action, or proceeding.
38. Shamco, while represented by counsel, consents to the OAG or any of its agents contacting any of its employees or agents for fair housing testing to determine whether they are complying with the NYSHRL, NYCHRL, and/or federal fair housing law.

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<sup>1</sup> See Program Guide – For Owners and Brokers, NYC Department of Housing Preservation and Development, <https://www.nyc.gov/assets/hpd/downloads/pdfs/services/housing-choice-guide-for-owners-brokers.pdf> (HPD pays the broker’s fee for Housing Choice voucher holders); see also NYC Housing Authority will work with licensed commercial real estate brokers who have clients interested in leasing space in our portfolio, NYCHA, <https://www.nyc.gov/assets/nycha/downloads/pdf/store-leasing-broker-guidelines.pdf> (NYCHA also offers to pay the broker’s fee for vouchers administrated by NYCHA).

### **Monetary Relief Payments**

39. Shamco shall pay to the State of New York One Hundred Thousand Dollars (\$100,000.00) (“First Restitution Relief Payment”) on the Effective Date and Three Hundred Thousand Dollars (\$300,000.00) remaining in restitution (the total of \$400,000 called the “Restitution Relief Fund”), which the OAG shall send, subject to claims administration costs, to individuals with Housing Subsidies who attempted to negotiate for the rental of housing owned or managed by Shamco between January 1, 2020 and the Effective Date of this Assurance who were not rented to or provided a rental application by Shamco and its agents (“hereinafter referred to as “Restitution Members”). Shamco shall pay the First Restitution Relief Payment within fifteen (15) days of the Effective Date and the remaining amount in full within 150 days of the Effective Date of this Assurance. It is within the OAG’s discretion to determine whether a claimant qualifies for restitution under this Assurance and the use of a claims administrator. OAG will keep a full accounting of all monies distributed to the Restitution Members. In the event that any surplus funds remain subsequent to disbursements to Restitution Members, OAG may transfer such remaining funds to the Affordable Housing-AG Settlement Fund established by the HPD for the purpose of remediating the impact of the conduct described herein on Housing Subsidy recipients. The Fund is used by HPD to fund housing-related initiatives, programs, and projects for “persons of low income” and “families of low income,” as those terms are defined by New York Private Housing Finance Law § 12.
40. Upon presentation of a complaint or petition to the OAG that Shamco has been sued for Source of Income Discrimination by an applicant who applied for an apartment between

December 21, 2018 to December 21, 2023, a representative of Shamco, including its counsel, may contact the OAG, which will confirm whether the litigant obtained payment from the Restitution Relief Fund from the OAG and if so, provide Shamco and/or their counsel the amount paid to the claimant.

41. All payments in excess of Fifty Thousand Dollars (\$50,000.00) shall be made by wire transfer, made payable to the "State of New York" and reference the Assurance No. 24-065.

## **MISCELLANEOUS**

### **Subsequent Proceedings**

42. Shamco expressly agrees and acknowledges that the OAG may initiate a subsequent investigation, civil action, or proceeding to enforce this Assurance, for violations of the Assurance, or if the Assurance is voided and agrees and acknowledges that in such event:
  - a. any statute of limitations or other time-related defenses are tolled from and after the Effective Date of this Assurance;
  - b. the OAG may use statements, documents or other materials produced or provided by the Respondent prior to or after the Effective Date of this Assurance;
  - c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Respondent irrevocably and unconditionally waives any objection based upon personal jurisdiction, inconvenient forum, or venue; and
  - d. Evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law pursuant to Executive Law § 63(15).
43. If a court of competent jurisdiction determines that Shamco has violated the Assurance, Shamco shall pay to the OAG the reasonable cost, if any, of obtaining such determination



and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

### **Effects of Assurance**

44. The Assurance is not intended, and should not be construed, as an admission of liability by Shamco.
45. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG.
46. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of Shamco. Shamco shall include in any such successor, assignment or transfer agreement a provision that binds the successor, assignee, or transferee of Shamco to the terms of the Assurance. Nothing in the Assurance shall limit Shamco's ability or right to sell any of its properties. Such sale shall not act to relieve Shamco of its obligations under the Assurance.
47. Nothing contained herein shall be construed as to deprive any person of any private right under the law.
48. Any failure by the OAG to insist upon the strict performance by Shamco of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by Shamco.

### **Communications**

49. Shamco will provide the OAG its Employer Identification Number ("EIN") for any and all tax reporting purposes.

50. Upon request by Shamco, the OAG shall confirm, in writing, any compliance by Shamco with its obligations under the Assurance, for example, the completion of the 65-unit requirement, or other provisions of the Assurance.

51. All notices, reports, requests, and other communications pursuant to this Assurance should reference Assurance No. 24-065, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

a. If to Shamco, to:

Carl Zekaria  
Shamco Management Corp.  
505 Thornall Street, Suite 403  
Edison, New Jersey 08837

-AND-

Michelle E. Phillips  
Jackson Lewis, P.C.  
44 South Broadway, 14th Floor  
White Plains, New York 10601  
[Michelle.Phillips@jacksonlewis.com](mailto:Michelle.Phillips@jacksonlewis.com)

b. If to the OAG, to:

Kyle Rapiñan  
Assistant Attorney General  
Civil Rights Bureau  
NYS Office of the Attorney General  
28 Liberty Street  
New York, New York 10005  
[Kyle.Rapinan@ag.ny.gov](mailto:Kyle.Rapinan@ag.ny.gov)

-AND-

Xhoana Ahmeti  
Attorney General Fellow  
Civil Rights Bureau

NYS Office of the Attorney General  
28 Liberty Street  
New York, New York 10005  
[Xhoana.Ahmeti@ag.ny.gov](mailto:Xhoana.Ahmeti@ag.ny.gov)

In their absence, to the person holding the title of Civil Rights Bureau Chief  
(currently Sandra Park, Esq.).

### **Representations and Warranties**

52. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG by the Shamco and their counsel and the OAG's own factual investigation as set forth in Findings, paragraphs 1-18 above. Shamco represents and warrants that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading. If any material representations by Shamco or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the OAG
53. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by Shamco in agreeing to this Assurance. Shamco represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved. Respondent further represents and warrants that Shamco, by Don Sanger, as the signatory to this Assurance, is a duly authorized officer acting at the direction of the Board of Directors of Shamco Management Corp.

### **General Principles**

54. Unless a term limit for compliance is otherwise specified within this Assurance, Shamco's obligations under this Assurance are enduring. Nothing in this Agreement shall

relieve Respondent of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

55. Shamco shall not in any manner discriminate or retaliate against any person who has cooperated with the investigation or are perceived to have cooperated with the investigation of this matter or any future investigation related to enforcing this agreement.
56. Nothing contained herein shall be construed to limit the remedies available to the OAG in the event that the Respondent violates the Assurance after its Effective Date.
57. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.
58. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.
59. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.
60. The remedies in this Assurance are necessary to ensure compliance with state law or to obtain the benefits of a federal or state program, in light of the alleged violations of law under N.Y. Exec. Law § 296 *et. seq.* and as authorized under the Executive Law.
61. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.
62. This Assurance may be executed in multiple counterparts by the parties hereto. All counterparts so executed shall constitute one agreement binding upon all parties,

notwithstanding that all parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original to this Assurance, all of which shall constitute one agreement to be valid as of the Effective Date of this Assurance. For purposes of this Assurance, copies of signatures shall be treated the same as originals. Documents executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

63. The Effective Date of this Assurance shall be August 20, 2024.

LETITIA JAMES  
Attorney General of the State of New York  
28 Liberty Street  
New York, NY 10005

By:



Kyle Rapiñan, Esq.  
Assistant Attorney General



Xhoana Ahmeti, Esq.  
Attorney General Fellow

SHAMCO MANAGEMENT CORP.

By: Don Sanger  
Don Sanger  
Treasurer

STATE OF Texas )  
COUNTY OF Nacogdoches )  
ss.:

On the 16 day of August in the year 2024 before me personally came Don Sanger to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) in Lufkin TX; that he/she/they is (are) the Treasurer of Shamco Management Corp., the corporation described in and which executed the above instrument; that he/she/they know(s) the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the board of directors of said corporation, and that he/she/they signed his/her/their names(s) thereto by like authority.

Sworn to before me this  
16 day of August, 2024

David Welch  
NOTARY PUBLIC

