

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

William T. Knoop  
**NMLS NO. 271707**

**SETTLEMENT AGREEMENT**

A Licensed Mortgage Loan Originator Pursuant to  
Article 12-E of the New York Banking Law

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This Settlement Agreement (“Agreement”) is made and entered into by and between William T. Knoop (“Mr. Knoop”) and the New York State Department of Financial Services (the “Department” and collectively with Mr. Knoop, the “Settling Parties”) and evidences the agreement between the Settling Parties to resolve, without a hearing, the violations of Article 12-D of the New York Banking Law (the “Banking Law”) and Part 420 of the Superintendent’s Regulations, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Section 44 of the Banking Law provides, in part, that the Superintendent may, in a proceeding after notice and a hearing, require various persons to pay to the people of this State a penalty for a violation of the Banking Law and any regulation promulgated thereunder.

2. Section 420.21(g) of Part 420 of the Superintendent’s Regulations provides that a fine may be imposed against a mortgage loan originator (“MLO”) for any violation of the Banking Law, any regulation promulgated thereunder, any final or temporary order issued pursuant to Section 39 of the Banking Law, any condition imposed by the Superintendent in connection with the granting of any application or request or any written agreement entered into with the Superintendent.

3. On January 6, 2011, the Department granted Mr. Knoop a license, pursuant to Article 12-E of the Banking Law and Part 420 of the Superintendent’s Regulations, to engage in regulated mortgage loan origination activities as an MLO.

4. During the period from July 2010 to July 2015, Mr. Knoop was employed by Mortgage Links Inc., a registered mortgage broker (the “Originating Entity”), and assigned to the Originating Entity’s principal office located at 2043 Richmond Ave, Staten Island, NY 10314.

5. Mr. Knoop, while sponsored by the Originating Entity solicited mortgage loans relating to properties in New York State using the websites nysmortgagerates.com, and statenislandhomemortgage.com without prior approval from the Department. A sample of the advertisements are annexed as Exhibit A and Exhibit B, respectively.

6. Specifically, <http://nysmortgagerates> displayed the Licensee’s name and his Nationwide Mortgage Licensing System & Registry (“NMLS”) identification number together with Mortgage Links information without properly identifying Mr. Knoop as an MLO. Additionally, Mr. Knoop represented on the website that “my staff and I have experience with underwriting and approving Staten Island, NY mortgage loans,” from which a borrower may infer that Mr. Knoop is a mortgage banker.

7. Based on the fact that Mr. Knoop failed to properly identify himself as an MLO on the websites, and presented information from which it can be inferred that he is a mortgage banker, the Department has determined that Mr. Knoop violated 3 NYCRR Section 420.20 (a) (3), which section of the regulation prohibits an MLO from “misrepresenting his or her status, or persuade or induce a borrower to apply for a mortgage loan under the belief that such MLO is duly licensed as a mortgage banker or registered as a mortgage broker, pursuant to Article 12-D of the Banking Law.”

8. Furthermore, Mr. Knoop violated Section 420.20(a) (4) of the Superintendent’s Regulations, which prohibits an MLO from “publish[ing], advertis[ing] or display[ing] his or her MLO license in any manner which implies that the MLO is licensed or registered with the Department to engage in mortgage loan originating activities as a mortgage banker or mortgage broker pursuant to Article 12-D of the Banking Law.”

9. In addition, the website [statenislandhomemortgage.com](http://statenislandhomemortgage.com) displayed the name “William Knoop Mortgage Services,” a person or entity different and apart from the person licensed by the Department namely, William Knoop. Further, the website

refers to William Knoop Mortgage Services as a “Local Mortgage Lender Servicing Staten Island, NY.”

10. “William Knoop Mortgage Services,” was never licensed or registered as a mortgage banker or broker.

11. As a result, Mr. Knoop has violated Section 420.20(a) (6) of the Superintendent’s Regulations, which prohibits an MLO from “engag[ing], in any transaction, practice, or course of business that is not in good faith or does not constitute fair dealing as required by the character and fitness requirements of section 599-d of the Banking Law and sections 592 and 592-a of the Banking Law.

## II

### **SETTLEMENT TERMS AND CONDITIONS**

William T. Knoop is willing to resolve the violation by entering into this Agreement and freely and voluntarily waives his right to a hearing under Banking Law Sections 44 and the Superintendent’s Regulation Part 420.21 on such violations. In consideration of the promises and covenants set forth herein, the Settling Parties agree as follows:

1. Mr. Knoop agrees to take all necessary steps to ensure his compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to his mortgage business, including, but not limited to:

- a. complying with the requirements of the Article 12-D and 12-E of the Banking Law, and Part 419 and Part 420 of the Superintendent’s Regulations; and
- b. ensuring that he will not work conduct business as a mortgage broker or a mortgage banker without first being registered or licensed by the Superintendent;
- c. ensuring that he will not publish, advertise or display his or her MLO license in any manner which implies that the MLO is licensed or registered with the Department to engage in mortgage loan originating activities as a mortgage banker or mortgage broker; and

- d. ensuring that he will not misrepresent his or her license status, or persuade or induce a borrower to apply for a mortgage loan under the belief that such MLO is duly licensed as a mortgage banker or registered as a mortgage broker.
2. Mr. Knoop agrees to pay a fine of \$2,500 payable.
3. The Licensee further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.
4. The Licensee's mortgage origination activities will be subject to examinations semi-annually for a twenty-four month period following the execution of this Agreement.

### **III.**

#### **MISCELLANEOUS TERMS AND CONDITIONS**

1. Mr. Knoop acknowledges that his failure to comply with any of the settlement terms, conditions, and timeframes of this Agreement may result in the Department taking action to suspend and/or revoke his MLO license.
2. Mr. Knoop 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 Mr. Knoop with respect to the violations cited herein, or any other matter whether related or not to such violations.
3. This Agreement may not be altered, modified or changed unless in writing signed by the Superintendent or his designee.
4. This Agreement shall be enforceable and remain in effect unless stayed or terminated in writing by the Superintendent or his designee.
5. The effective date of this Agreement is the date on which it is executed by the Deputy Superintendent.

6. 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, New York 10004

7. All written communications to Mr. Knoop regarding this Agreement should be sent as follows.

Attention:

William T Knoop  
117 Station Ave  
Staten Island, NY 10309

8. This Agreement is not confidential; therefore, it is available to the public.

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

By: \_\_\_\_\_ / s / \_\_\_\_\_

William T. Knoop  
Mortgage Loan Originator

Dated: \_\_\_\_\_

New York State Department of Financial Services

By: \_\_\_\_\_ / s / \_\_\_\_\_

Rholda L. Ricketts  
Deputy Superintendent

Dated: \_\_\_\_\_