

*State of New York*  
*Department of Financial Services*

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In the Matter of

**TODD CHRISTOPHER MCADAMS**  
**NMLS NO. 167682**

**SETTLEMENT AGREEMENT**

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This Settlement Agreement ("Agreement") is made and entered into by and between Todd Christopher McAdams ("Mr. McAdams") and the New York State Department of Financial Services (the "Department") (collectively, the "Settling Parties") and evidences an agreement between the Settling Parties to resolve, without a hearing, violations of Article 12-E of the New York Banking Law (the "Banking Law"), and Part 420 of the Superintendent's Regulations, cited herein by the Department, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Mr. McAdams has applied for a New York mortgage loan origination ("MLO") license pursuant to Article 12-E of the Banking Law.
2. According to records maintained by Nationwide Mortgage Licensing System ("NMLS"), Mr. McAdams was employed by Associated Mortgage Bankers, Inc. ("Associated"), a licensed mortgage banker, from October 18, 2010 to August 13, 2012. Associated is headquartered at 600 Old Country Road, Suite 207, Garden City, NY

11530, to engage in mortgage loan originating activities pursuant to Article 12-E of the Banking Law.

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

4. Section 420.21(g) of Part 420 of the Superintendent's Regulations provides that a fine may be imposed against a 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 grant of any application or request or any written agreement entered into with the Superintendent.

### **Unauthorized Mortgage Loan Origination**

5. The Department's July 21, 2010 Industry Letter provides, in part, that unless a mortgage loan originator filed an MLO license application prior to December 1, 2009 and can demonstrate that he or she met all of the pre-licensing requirements by July 31, 2010, he or she is prohibited by Section 420.4 of Part 420 of the Superintendent's Regulations from engaging in Mortgage Loan Origination activities, effective August 1, 2010, until he or she is licensed by the Superintendent.

6. Mr. McAdams did not pass the required New York component of the SAFE Mortgage Loan Originator Test until September 30, 2010. Thus, he failed to meet all of the pre-licensing requirements by July 31, 2010 and has been prohibited since August 1, 2010 from engaging in mortgage loan origination on residential real property in this state.

7. As a result of a visitation to Associated, the Department found that Mr. McAdams took one mortgage loan application on December 23, 2010.

8. By taking said mortgage loan application after July 31, 2010, and prior to licensing as an MLO, Mr. McAdams violated the following sections of the Banking Law and Superintendent's Regulations:

- a. Section 599-c of the Banking Law, which provides, in part, that no individual, unless exempt, shall engage in the business of a mortgage loan originator with respect to any dwelling or residential real property in this state without first obtaining and maintaining annually a license under Article 12-E of the Banking Law;
- b. Section 420.20(a)(3) of Part 420 of the Superintendent's Regulations, which prohibits an MLO from, among other things, misrepresenting his or her license status; and
- c. Section 420.20(a)(6) of Part 420 of the Superintendent's Regulations, which provides, in part, that no MLO shall engage 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 Article 12-E of the Banking Law.

## II.

### **SETTLEMENT TERMS AND CONDITIONS**

Mr. McAdams is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives its right to a hearing under Section 44 of

the Banking Law. Therefore, in consideration of the promises and covenants set forth herein, the Settling Parties agree, as follows:

1. Mr. McAdams shall not:
  - a. Engage in any unlicensed or otherwise unauthorized mortgage loan origination on residential real property in this state;
  - b. Misrepresent his MLO license status in any manner;
  - c. Engage 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 Article 12-E of the Banking Law;
  - d. Engage in any conduct prohibited by Article 12-E of the Banking Law, Part 420 of the Superintendent's Regulations, or any other federal or state law, regulation, or supervisory requirement relating to mortgage loan origination.

2. Mr. McAdams agrees to take all necessary steps to ensure its compliance with all applicable federal and state laws, regulations, and supervisory requirements relating to his mortgage loan origination activities, including, but not limited to complying with the provisions of Article 12-E of the Banking Law, and Part 420 of the Superintendent's Regulations.

3. Mr. McAdams agrees to pay a fine of \$1,000 payable upon execution of this Agreement.

4. Mr. McAdams further agrees that such payment will be made in immediately available funds in accordance with the Department's payment instructions.

5. Mr. McAdams' mortgage origination activities will be subject to examination semi-annually for a twenty-four month period following the execution of this Agreement.

6. The Applicant fully understands the requirements of this Agreement and that failure to meet the above conditions and timeframes may result in the Department suspending his MLO license and scheduling a hearing for revocation.

### **III.**

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

1. The Settling Parties acknowledge that Mr. McAdams' failure to comply with any of the settlement terms and conditions of this Agreement may result in the Department taking action to revoke Mr. McAdams' MLO license under Article 12-E of the Banking Law.

2. The Settling Parties acknowledge 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. McAdams 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 of Financial Services regarding this Agreement should be sent as follows.

Attention:

Rholda L. Ricketts  
Deputy Superintendent  
State of New York Department of Financial Services  
One State Street  
New York, NY 10004

7. All written communications to Todd Christopher McAdams regarding this Agreement should be sent as follows.

Attention:

Todd Christopher McAdams  
22 Pearsall Place  
Roslyn Heights, NY 11577

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: \_\_\_\_\_

Todd Christopher McAdams

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

New York State Department of Financial Services

By: \_\_\_\_\_

Rholda L. Ricketts  
Deputy Superintendent

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