

New York State Department
of Financial Services

-----X

In the Matter of

Adam DeMario
NMLS NO. 41587

SETTLEMENT AGREEMENT

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

-----X

This Settlement Agreement ("Agreement") is made and entered into by and between Adam DeMario ("Mr. DeMario") and the State of New York Department of Financial Services (the "Department" and collectively with Mr. DeMario, the "Settling Parties") and evidencing an agreement between the Settling Parties to resolve, without a hearing, the violations by Mr. DeMario of the Articles 12-D and 12-E of the New York Banking Law ("Banking Law"), and the Section 420.20 of the Superintendent's Regulations, upon and subject to the terms and conditions hereof.

I.

RECITALS

1. Mr. DeMario was granted a license on December 10, 2010 to engage in mortgage loan originating activities pursuant to Article 12-E of the Banking Law. His unique identifier is NMLS# 41587. From January 5, 2012 to May 16, 2014, Franklin First Financial, Ltd. D/B/A Franklin First Mortgage Bankers ("Franklin"), a mortgage banker headquartered at 538 Broadhollow Road, Suite 401, Melville, NY 11747, employed Mr. DeMario and assigned him to this licensed location.

2. Section 44 of the Banking Law provides, in part, that the New York

Superintendent of Financial Services (“Superintendent”) may, in a proceeding after notice and a hearing, require a mortgage loan originator (“MLO”) to pay to the people of this State a penalty for a violation of the Banking Law or any regulation promulgated thereunder.

3. Section 420.21(g) of the Superintendent’s Regulations provides, in part, that a fine may be imposed against an 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.

4. The Department determined that during a period including March 2013, Mr. DeMario, while affiliated with Franklin, conducted regulated mortgage activities using the domain names yourchristianlender.com and thechristianlendingnetwork.com. Additionally, the thechristianlendingnetwork.com website utilized the unauthorized name “The Christian Lending Network” to conduct New York regulated mortgage activities. A printscreen of the thechristianlendingnetwork.com website obtained in March 2013 is annexed as Exhibit A.

5. According to the Department records, the Department did not authorize any entity to conduct regulated New York mortgage business utilizing the name “The Christian Lending Network” or any of the domain names mentioned above.

Prohibited Conduct

6. In February 2012, the homepage of thechristianlendingnetwork.com website stated the legend “Licensed Mortgage Banker – NYS Banking Department” (the “Legend”), and it also stated “NMLS#: 41587” next to the Legend. However, the homepage of the website did not state the name of Franklin, Mr. DeMario’s employer. A printscreen of the website, which was published in February 2012 is annexed as Exhibit B.

7. In March 2013, the thechristianlendingnetwork.com website’s content was updated. The “About Us” subpage of the website continued to state that Mr. DeMario is the “President of The Christian Lending Network.”

8. As such, the practices described in paragraphs four, six and seven above implied that Mr. DeMario was a mortgage banker.

9. Accordingly, Mr. DeMario violated Section 420.20(a)(4) of the Superintendent’s Regulations, which provides that no MLO shall publish, advertise or display his or her MLO license in any manner which implies that the MLO is licensed or registered with the New York State Department of Financial Services to engage in mortgage loan originating activities as a mortgage banker or mortgage broker pursuant to Article 12-D of the Banking Law.

10. Additionally, Mr. DeMario violated Article 12-D, Section 590(2)(b) of the Banking Law, which in general, provides that no person or entity shall engage in regulated activities of a mortgage broker without first being registered with the Superintendent.

Omission of Unique Identifier

11. In March 2013, thechristianlendingnetwork.com website did not state the unique identifier of any person as required by Section 599-p of the Banking Law.

12. Accordingly, the advertisement in March 2013 violated Section 599-p of the Banking Law, which requires, in part, that the unique identifier of any person originating a residential mortgage loan shall be clearly shown on all advertisements, including websites.

II.

SETTLEMENT TERMS AND CONDITIONS

Mr. DeMario is willing to resolve the violations cited herein by entering into this Agreement and freely and voluntarily waives his right to a hearing under Banking Law Section 44 and the Superintendent's Regulation Part 420.21 on such violations. Therefore, in consideration of the promises and covenants set forth herein:

1. Mr. DeMario 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;
 - b. ensuring that he will not conduct or transact regulated mortgage business in the state under any assumed name, such as

“The Christian Lending Network,” or designation using any website, domain, or other name that has not be approved by the Superintendent; and

- c. ensuring that his activities and advertisements, do not mislead consumers into believing that he is a mortgage broker or a mortgage banker pursuant to Article 12-D of the Banking Law;
- d. ensuring that the unique identifier of Mr. DeMario’s employer is clearly shown next to the employer’s name on all advertisements; and where Mr. DeMario’s name is also shown, Mr. DeMario’s unique identifier shall also be clearly shown on those advertisements.
- e. ensuring that he will not engage in prohibited conduct outlined in Section 420.20 of the Superintendent’s Regulations and Part 38 of the Superintendent’s Regulations.

2. Mr. DeMario agrees to pay a fine of \$8,000. He further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.

III.

MISCELLANEOUS TERMS AND CONDITIONS

1. Mr. DeMario acknowledges that his failure to comply with any of the settlement terms and conditions of this Agreement may result in the Department taking action to revoke his MLO license under Article 12-E of the Banking Law.

2. Mr. DeMario 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. DeMario 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 or her designee.

6. All written communications to the Department 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 Mr. DeMario regarding this Agreement should be sent as follows.

Attention:

Mr. Adam DeMario
Mortgage Loan Originator
452 Rose Lane
Rockville Centre, New York 11570

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: _____

Adam DeMario
Mortgage Loan Originator

Dated: _____

New York State Department of Financial Services

By: _____

Rholda L. Ricketts
Deputy Superintendent

Dated: _____