

NEW YORK STATE DEPARTMENT  
OF FINANCIAL SERVICES

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In the Matter of

**Kevin Fitzpatrick**  
**NMLS NO. 34789**

**SETTLEMENT AGREEMENT**

A Licensed Mortgage Loan Originator Pursuant To  
Article XII-E of the New York Banking Law

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This Settlement Agreement ("Agreement") is made and entered into by and between Kevin Fitzpatrick ("Fitzpatrick") and the New York State Department of Financial Services (the "Department" and collectively with Fitzpatrick, the "Settling Parties") and evidences an agreement between the Settling Parties to resolve, without a hearing, the violations of Part 420 of the Superintendent's Regulations, upon and subject to the terms and conditions hereof.

**I.**

**RECITALS**

1. Sections 44 and 598 of the New York Banking Law (the "Banking Law") provide, 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 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 July 15, 2010, the Department granted Fitzpatrick a license, pursuant to Article 12-E of the Banking Law, to engage in regulated mortgage loan activities as a MLO.

4. Fitzpatrick was employed by Residential Home Funding Corp. ("RHF"), a New York licensed mortgage banker, until March 16, 2015.

5. The Department determined that Fitzpatrick, while sponsored by RHF, used the domain names [priorityfunding.com](http://priorityfunding.com) during a period including June 2014, and [eastislipmortgagelenders.com](http://eastislipmortgagelenders.com) during a period including January 2015, to promote and solicit residential mortgage loans relating to properties in New York State. Samples of the domain names are annexed as Exhibit A and Exhibit B respectively.

6. The Department's review discovered that the domain name and website [priorityfunding.com](http://priorityfunding.com) displayed Fitzpatrick's contact information with an email address associated with RHF, and was used to advertise to New York State borrowers without properly identifying Fitzpatrick as a MLO.

7. Furthermore, the domain name and website [eastislipmortgagelenders.com](http://eastislipmortgagelenders.com) stated specifically that Fitzpatrick is a mortgage broker and displayed Fitzpatrick's unique identifier with his contact information and was used to advertise to New York State borrowers.

8. As a result of the review, the Department determined that Fitzpatrick misrepresented his license status, or persuaded or induced New York State borrowers to apply for a mortgage loan under the belief that Fitzpatrick is duly licensed as a mortgage broker.

9. Accordingly, Fitzpatrick violated Part 420.20(a)(3) of the Superintendent's Regulations, which prohibits a MLO from misrepresenting 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 mortgage broker pursuant to Article 12-D of the Banking Law.

10. Additionally, the Department determined that Fitzpatrick published, advertised or displayed his MLO license, in a manner which implied that he is registered with the Department to engage in mortgage loan originating activities as a mortgage broker.

11. Accordingly, Fitzpatrick violated Part 420.20(a)(4) of the Superintendent's Regulations, which states 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 Department to engage in mortgage loan originating activities as a mortgage banker or mortgage broker pursuant to Article 12-D of the Banking Law.

## II.

### **SETTLEMENT TERMS AND CONDITIONS**

Fitzpatrick is willing to resolve the violations 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. Fitzpatrick 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 Article 12-E of the Banking Law, and Part 420 of the Superintendent's Regulations;
- b. ensuring that his activities and advertisements do not mislead consumers into believing that he is a mortgage broker or mortgage banker authorized pursuant to Article 12-D of the Banking Law;
- c. 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. Fitzpatrick agrees to pay a fine of \$7,500 payable in twelve (12) installments as follows:

- \$625 upon execution of this Agreement;
- \$625 on or before the 15<sup>th</sup> day of each of the immediately following eleven (11) months.

3. Fitzpatrick further agrees that such payment will be made in immediately available funds in accordance with Department payment instructions.

4. Fitzpatrick'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. Fitzpatrick 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. Fitzpatrick 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 Fitzpatrick 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 her designee.

4. This Agreement shall be enforceable and remain in effect unless stayed or terminated in writing by the Superintendent or her designee.

5. The effective date of this Agreement is the date on which it is executed by the Deputy Superintendent of Banks for Mortgage Banking.

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 Fitzpatrick regarding this Agreement should be sent as follows.

Attention:

Kevin Fitzpatrick  
6 Tarkington Road  
Holbrook, New York 11741

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: \_\_\_\_\_

Kevin Fitzpatrick  
Mortgage Loan Originator

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

New York State Department of Financial Services

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

Rholda L. Ricketts  
Deputy Superintendent

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