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## STATE of NEW HAMPSHIRE BANKING DEPARTMENT

53 Regional Drive, Suite 200 Concord, NH 03301

In re the Matter of:

Paul McCormack and

Paul McCormack, P.C.

)

Order & Agreement
)

Paul McCormack, P.C.
)

- I. WHEREAS, Pursuant to RSA 397-A:20,IV the Bank Commissioner may issue, amend or rescind such orders as are reasonably necessary to carry out the provisions of Chapter 397-A, Licensing of Nondepository First Mortgage Bankers and Brokers;
- II. WHEREAS, Pursuant to RSA 397-A:20,VI all actions taken by the Commissioner pursuant to Chapter 397-A shall be taken only when the Commissioner finds such action necessary or appropriate to the public interest or for the protection of consumers and consistent with the purposes fairly intended by the policy and provisions of Title XXXV;
- III. WHEREAS, The Commissioner finds this Order and Agreement necessary and appropriate and in the public interest, and consistent with the purposes of the New Hampshire banking laws;
- IV. WHEREAS, The New Hampshire Banking Department ("<u>Department</u>"), Paul McCormack, and Paul McCormack, P.C. (collectively "<u>McCormack</u>") do hereby stipulate to the following:
  - Paul McCormack is and has been the sole owner and principal as that term is defined in RSA 397-A of Paul McCormack, P.C. Paul McCormack, P.C. was licensed as a mortgage broker by the Department in 2008.

- 2. A mortgage broker license expires on December 31 of each calendar year and a mortgage broker must apply for a license renewal annually if it wishes to continue to operate as a mortgage broker in New Hampshire and is not exempt from the licensing requirements. See RSA 397-A:3 and A:8. If the Commissioner determines that an applicant fails to meet the requirements of Chapter 397-A, the Commissioner shall deny a license. See RSA 397-A:7.
- Chapter 397-A requires, inter alia, that the Commissioner determine a licensee's ability to conduct the business of a mortgage broker with financial integrity. See RSA 397-A:5,III (c), 397-A:17,I (j).
- 4. McCormack filed for bankruptcy, Chapter 7, in September 2008. McCormack has also applied for a renewal of his mortgage broker's license for 2009, however, he has not submitted the required renewal application fee of \$500 ("Renewal Fee").
- 5. The bankruptcy filing must be considered by the Commissioner in determining McCormack's financial integrity for a license renewal. As the renewal application process is not yet complete, it is undetermined at this time whether McCormack will be able to adequately demonstrate the required financial integrity for a mortgage broker license renewal. Further, McCormack is not currently licensed as a mortgage broker in New Hampshire.
- 6. McCormack originated one (1) loan in December 2008, while properly licensed ("December Loan"). The December Loan is still outstanding and is set to close shortly in 2009, however, McCormack is not now a licensed mortgage broker lawfully able to close the December Loan.
- 7. McCormack has asked that the Department issue a temporary, conditional 2009 New Hampshire mortgage broker license ("Temporary License") in order

to close and be remunerated for the December Loan and the Department has agreed to issue said Temporary License upon the conditions set forth herein;

- V. WHEREAS, McCormack understands and hereby agrees to each of the following terms and conditions and the Department accepts the same:
  - a. The Temporary License shall not be issued until the Department receives payment in full of the Renewal Fee;
  - b. The use of the Temporary License is strictly limited to the closing of the December Loan only;
  - c. McCormack shall immediately and voluntarily surrender the Temporary License to the Department upon the closing of the December Loan;
  - d. McCormack shall notify the Commissioner in writing of the day of the closing of the December Loan and such notice shall be given prior to or on the day of said closing. In no event shall the notice of the closing be received by the Commissioner after the day of the closing;
  - e. McCormack agrees to waive any and all rights to a hearing and appeal regarding this Order and Agreement;
  - f. McCormack agrees that all terms of this Order and Agreement are contractual and none is a mere recital;
  - g. McCormack understands and accepts all the terms of this Order and Agreement;
  - h. Upon payment of the Renewal Fee in full, McCormack's renewal application will be considered in due course. If his renewal application is denied, McCormack may request an appeal in accordance with RSA 397-A:7;
  - i. The provisions of this Order and Agreement shall not limit, estop, or otherwise prevent the Department, or any federal or state agency or department, from taking any other action affecting McCormack;

- j. Failure to comply with the terms of this Order and Agreement may result in imposition of administrative penalties and possible criminal liability; and
- k. The provisions of this Order and Agreement shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this Order and Agreement shall have been modified, terminated, suspended, or set aside by the Commissioner or upon an order of a court of competent jurisdiction.

## V. Now, therefore, be it **ORDERED** that:

1. Paul McCormack, P.C. is hereby issued a temporary 2009 New Hampshire mortgage broker license conditioned upon all of the terms contained herein.

This Order and Agreement does not apply to facts not known by the Department or not otherwise provided by McCormack to the Department as of the date of this Order and Agreement nor to actions for restitution under RSA 383:10-d, or any possible actions related to an examination. Such facts would include, but not be limited to, any consumer harm from the actions of McCormack. The Department expressly reserves its right to pursue any administrative, civil or criminal action or remedy available to it should McCormack 1) breach this Agreement; (2) in the future violate any applicable law, rules, regulations or orders promulgated by the Department; and/or (3) has committed past violations not addressed by this Order and Agreement.

**WHEREFORE**, Based on the foregoing, we have set our hands to this Agreement, with it taking effect upon the signature of the Bank Commissioner.

[Signature Page Follows]

1	Executed this <u>12th</u> day of February, 2009.		
2	Paul McCormack, P.C.		
	/s/		
3	By: Paul McCormack Its Principal		
4			
5	State of New Hampshire County of <u>Merrimack</u>		
6	This instrument was acknowledged before me on <u>February</u>	arv 12. 2009 (date) by F	Paul McCormack (name
7	of individual) as <u>Principal</u> (individual's capacity with the		
8		/s/ (Signature of notarial of	
0	Seal	(Signature of notarial of	ficer)
9		(Print Name)	, Notary Public,
10		My commission expires	
11	Executed this <u>12th</u> day of February, 2009.		
10	Paul McCormack		
12	/s/		
13			
14	State of New Hampshire County of <u>Merrimack</u>		
15	This instrument was acknowledged before me on <i>February 12, 2009</i> ( <i>date</i> ) by Paul McCormack.		
16		/s/	
17	seal	(Signature of notarial of	ficer)
	Scal	(Dist Name)	, Notary Public,
18		( <i>Print Name</i> ) My commission expires	
19			
20	SO ORDERED,		
21	Entered this <u>13th</u> day of February, 2009.		
22			
23	Peter C. Hildreth,		
24	Bank Commissioner		
25			