

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
OFFICE OF FINANCIAL AND INSURANCE SERVICES
Before the Commissioner of Financial and Insurance Services

In the matter of:

GTL Investments, Inc. d/b/a
John Adams Mortgage Company

Enforcement Case No. 01-915

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*Issued and entered
on January 11, 2002
by Frank M. Fitzgerald
Commissioner of Financial and Insurance Services*

CONSENT ORDER AND STIPULATION

A. Findings of fact and conclusions of law

1. John Adams Mortgage Company (Licensee) permitted its secondary mortgage broker, lender and servicer license to expire and, thereafter, during the period of March 14, 2000 to December 31, 2000, accepted and closed 66 second lien mortgages without the required license or registration, contrary to Section 2(2) of the Secondary Mortgage Loan Act (SMLA).
2. Licensee transferred ownership of the license to the Marjorie I. Elsea Trust without the Commissioner's consent, contrary to Section 9 of the MBLSLA.

3. Licensee changed its licensed name from John Adams Mortgage Company to GTL Investments, Inc. d/b/a John Adams Mortgage Company without the Commissioner's consent, contrary to Office of Financial and Insurance Services (OFIS) license amendment procedures.
4. As a result of Licensee's transfer of ownership and name change without the Commissioner's consent, during the period of March 14, 1998 to December 31, 2000, Licensee brokered 455 first lien mortgages without the required broker authority, contrary to Section 2(1) of the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA).

B. ORDER

Based on the findings of fact and conclusions of law above and Licensee's stipulation, it is ORDERED that:

1. Licensee shall immediately CEASE and DESIST from operating in such a manner as to violate Section 2(2) of the SMLA, and Sections 2(1) and 9 of the MBLSLA.
2. Licensee shall pay a \$10,000.00 civil fine to the State of Michigan, through the Office of Financial and Insurance Services. This fine shall be paid on or before January 15, 2002.

3. Licensee shall educate its employees regarding state and federal laws and regulations pertaining to mortgage and consumer lending in Michigan.
4. Licensee shall designate a compliance officer, and notify OFIS of his/her name, business address and telephone number, to ensure compliance with all applicable mortgage and consumer lending laws. Licensee shall notify OFIS of any change in designation of the compliance officer within 30 days of such change.
5. The designated compliance officer shall confirm that any future transfer of the license will not take place without the Commissioner's consent.
6. The designated compliance officer shall confirm that any future amendment to the license or registration shall be in accordance with OFIS amendment procedures.
7. Licensee shall submit current documents and information: a financial statement issued within the past three months, reflecting minimum net worth of \$25,000.

Frank M. Fitzgerald
Commissioner of Financial and
Insurance Services

C. STIPULATION

I have read and understand the consent order above. I agree that the Commissioner of Financial and Insurance Services has jurisdiction and authority to issue this consent order. I waive the right to a hearing in this matter if this consent order is issued. I understand that this stipulation and consent order will be presented to the Commissioner for approval and the Commissioner may or may not issue this consent order. I waive any objection to the Commissioner deciding this case following a hearing in the event the consent order is not approved. I agree to the entry of this order.

GTL INVESTMENTS, INC. d/b/a
JOHN ADAMS MORTGAGE COMPANY

By:

The OFIS staff approves this stipulation and recommends that the Commissioner issue the above consent order.

Ann Gaultney
Deputy Commissioner