

1 whether any person has violated or is violating any
2 provision of RSA Chapter 397-A, rule or order given under
3 RSA Chapter 397-A.

4 4. RSA 397-A:11 and RSA 397-A:12 authorize the Department to
5 perform examinations of Respondents' mortgage banking
6 activity.

7 5. The Department is authorized by New Hampshire RSA 399-A:2 to
8 regulate those engaged in the business of making small loans
9 (as defined by RSA 399-A:1,XIV).

10 6. RSA 399-A:4 and RSA 399-A:10 authorize the Department to
11 investigate alleged violations of laws or rules to determine
12 whether any person has violated or is violating any
13 provision of RSA Chapter 399-A, rule or order given under
14 RSA Chapter 399-A or other applicable state and federal laws
15 and regulations.

16 7. RSA 399-A:10 authorizes the Department to perform
17 examinations of Respondents' small loan lending business.

18 8. This Consent Orders serves solely for the purpose of
19 settlement of this matter without constituting an admission
20 or denial by the above named Respondent, of any allegations
21 made in or implied by this matter.

22 9. The Department and Respondent would like to avoid formal
23 proceedings, and further expense, and to finally resolve
24 this action under the terms and conditions set forth below.

1 10. The terms of this Consent Order are a fair and reasonable
2 disposition of this matter and are in the public interest.

3 11. In consideration of the mutual promises and representations
4 set forth herein, and in further consideration of the
5 Department's reliance upon the substantial accuracy and good
6 faith of the representations and submissions made to it by
7 Respondent, the Department and Respondent intending to be
8 legally bound herein, agree to the terms and conditions
9 below.

10 II. For purposes of amicably resolving and closing this matter, the above
11 named Respondent and the Department hereby agree to the following
12 terms and conditions:

13 1. Respondent agrees it has voluntarily entered into this
14 Consent Order without reliance upon any discussions between
15 the Department and Respondent, without promise of a benefit
16 of any kind (other than concessions contained in this
17 Consent Order) and without threats, force, intimidation, or
18 coercion of any kind. Respondent further acknowledges its
19 understanding of the nature of the offenses alleged herein,
20 including the penalties provided by law.

21 2. The Respondent agrees to waive any and all rights to a
22 hearing and appeal thereof.

23 3. The Respondent agrees that it will not deny the factual
24 basis for this Consent Order to which it has stipulated
25 above and will not give conflicting statements about such

1 facts or its involvement in the stipulated facts.

2 4. The Respondent agrees that all terms of this Consent Order
3 are contractual and none is a mere recital.

4 5. Respondent represents and warrants that it has all the
5 necessary rights, powers and ability to carry out all of the
6 terms of this Consent Order which are applicable to
7 Respondent.

8 6. Respondent represents and warrants that it can accomplish
9 the full relief contemplated and required herein and that
10 all parents, subsidiaries, affiliates, and successors
11 necessary to effectuate the full relief contemplated by this
12 Consent Order are parties to this Consent Order.

13 7. Respondent represents and warrants that it has obtained all
14 third-party approvals necessary to comply with the Consent
15 Order.

16 8. Respondent acknowledges that the Department is relying upon
17 the representations and warranties of Respondent, stated
18 herein, in making its determination in this matter.

19 9. Subject to the terms of this Consent Order, the Respondent
20 consents to the entry of a total examination fee of
21 \$11,623.20 which shall be paid to the Department
22 contemporaneously with the execution of this Consent Order.

23 10. Respondent agrees to immediately pay \$1,000.00 to the
24 Department, which represents the back license fee of \$500.00
25 for each year Respondent conducted activity that required a

1 Department mortgage banker license.

2 11. Respondents agree to immediately refund the following
3 consumers the loans fees charged (totaling \$19,575.00), such
4 amounts of which shall be paid contemporaneously with the
5 execution of this Consent Order:

6 a. Consumer A = \$3,025.00;

7 b. Consumer B = \$1,100.00;

8 c. Consumer C = \$2,925.00;

9 d. Consumer D = \$1,000.00;

10 e. Consumer E = \$1,000.00;

11 f. Consumer F = \$1,500.00;

12 g. Consumer G = \$2,200.00;

13 h. Consumer H = \$1,570.00;

14 i. Consumer I = \$2,305.00;

15 j. Consumer J = \$1,810.00; and

16 k. Consumer K = \$1,140.00.

17 12. Respondent agrees to immediately refund Consumer L the small
18 loan fee and profit of \$886.67.

19 13. Respondent acknowledges that failure to make payment as
20 agreed above may result in civil and/or criminal penalties.

21 14. This Consent Order shall become effective immediately upon
22 the date of its issuance.

23 15. The provisions of this Consent Order shall remain effective
24 and enforceable except to the extent that, and until such
25 time as, any provisions of this Consent Order shall have

1 been modified, terminated, suspended, or set aside by the
2 Bank Commissioner or upon an order of a court of competent
3 jurisdiction.

4 III. This Consent Order represents the resolution of and discharge of any
5 basis for any civil or administrative proceeding by the Department
6 against the above named Respondent for violations arising as a result
7 of or in connection with any actions or omissions by the above named
8 Respondents through the date of this Consent Order as it applies to
9 the allegations in this matter; provided, however, this release does
10 not apply to facts not known by the Department or not otherwise
11 provided by the above named Respondent to the Department as of the
12 date of this Consent Order. The Department expressly reserves its
13 right to pursue any administrative civil or criminal action or remedy
14 available to it should the above named Respondents breach this Consent
15 Order or in the future violate the Act or rules and orders promulgated
16 thereunder.

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1 **WHEREFORE**, based on the foregoing, we have set our hands to this Agreement,
2 with it taking effect upon the signature of Peter C. Hildreth, Bank
3 Commissioner.

4
5 Recommended this 6th day of August, 2009 by

6
7 _____ /s/
8 Maryam Torben Desfosses, Hearings Examiner, Banking Department

9
10 Executed this 31st day of July, 2009 by

11
12 _____ /s/ _____, by
13 Richard Samuels, Esq. as legal representative for Respondent Salem Capital
14 Group, LLC

15
16 **SO ORDERED,**

17 Entered this 6th day of August, 2009.

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19
20 _____ /s/
21 Peter C. Hildreth,
22 Bank Commissioner
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