

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-023
)
 3 State of New Hampshire Banking) Order to Show Cause
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Curo Banc, LLC,)
)
 8 Respondent)
)

9
10 NOTICE OF ORDER

11 This Order commences an adjudicative proceeding under the provisions of
12 RSA 397-A:17, RSA 541-A and BAN 200.

13 LEGAL AUTHORITY AND JURISDICTION

14 Pursuant to RSA 397-A:17, the Banking Department of the State of New
15 Hampshire (hereinafter the "Department") has the authority to issue an order
16 to show cause why license revocation penalties for violations of New
17 Hampshire Banking laws should not be imposed.

18 Pursuant to RSA 397-A:21, the Commissioner has the authority to
19 suspend, revoke or deny any license and to impose administrative penalties of
20 up to \$2,500.00 for each violation of New Hampshire banking law and rules.

21 NOTICE OF RIGHT TO REQUEST A HEARING

22 The above named respondent has the right to request a hearing on this
23 Order to Show Cause, as well as the right to be represented by counsel at the
24 Respondent's own expense. All hearings shall comply with RSA 541-A. Any such
25 request for a hearing shall be in writing, and signed by the respondent or
the duly authorized agent of the above named respondent, and shall be
delivered either by hand or certified mail, return receipt requested, to the

1 Banking Department, State of New Hampshire, 64B Old Suncook Road, Concord, NH
2 03301. Such hearings will be scheduled within 10 days of the request. If the
3 Respondent fails to appear at the hearing after being duly notified, such
4 person shall be deemed in default, and the proceeding may be determined against
5 the Respondent upon consideration of the Order to Show Cause, the allegations
6 of which may be deemed to be true. Respondents are entitled to at least 30
7 days' notice regarding the hearing date.

8 If the Respondent fails to request a hearing within 30 calendar days of
9 receipt of such order or reach formal settlement with the Department within
10 that time frame, then such person shall likewise be deemed in default, and the
11 orders shall, on the thirty-first day, become permanent, and shall remain in
12 full force and effect until and unless later modified or vacated by the
13 commissioner, for good cause shown.

14 **STATEMENT OF ALLEGATIONS, APPLICABLE LAWS AND REQUEST FOR RELIEF**

15 The Staff Petition dated February 5, 2007 (a copy of which is attached
16 hereto) is incorporated by reference hereto.

17 **ORDER**

18 WHEREAS, finding it necessary and appropriate and in the public
19 interest, and consistent with the intent and purposes of the New Hampshire
20 banking laws, and

21 WHEREAS, finding that the allegations contained in the Staff Petition,
22 if proved true and correct, form the legal basis of the relief requested,

23 It is hereby ORDERED, that the Respondent shall show cause why:

24 1. Administrative penalties of \$2,500.00 should not be imposed;

25 and

2. Respondent's license should not be revoked; and

It is hereby ORDERED that:

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-023
)
 3 State of New Hampshire Banking) Staff Petition
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Curo Banc, LLC,)
)
 8 Respondent)
)

9
10 STATEMENT OF ALLEGATIONS

11 I. The Staff of the Banking Department, State of New Hampshire
12 (hereinafter referred to as the "Department) alleges the following
13 facts:

14 1. On or about July 31, 2006 the Department was scheduled to begin an
15 examination of Curo Banc, LLC (hereinafter "Respondent").

16 2. Respondent was licensed as a Mortgage Broker and at all times
17 relevant to this action held a Department license since at least
18 2005.

19 3. The Department sent a notice of an upcoming examination to the
20 Respondent via US Certified Mail on June 23, 2006 (mail piece
21 number: 7002 2410 0005 1958 7140). The Respondent received and
22 signed for the mail piece on or about June 29, 2006. See Exhibit
23 1.

24 4. The Respondent failed to submit a loan list as requested in the
25 above referenced letter. The Respondent also failed to submit any
loan files or other exam materials.

1 5. On August 3, 2006 the Department sent the Respondent via US
2 Certified Mail a second letter (mail piece number: 7002 2030 0000
3 9676 9722) referencing the first letter and requesting additional
4 information. The Respondent received and signed for the mail
5 piece on or about August 7, 2006. See Exhibit 2.

6 6. On October 13, 2006 the Examiner-in-Charge ("EIC") spoke with
7 Mayur Shetty, an employee of the Respondent, regarding the missing
8 exam materials. Mr. Shetty indicated that he would gather the
9 information and the Department would receive the materials by
10 October 17, 2006.

11 7. The materials failed to arrive on October 17, 2006.

12 8. On October 17, 2006 the EIC spoke to Mr. Shetty who indicated the
13 Department would receive the materials on October 19, 2006.

14 9. The materials failed to arrive on October 19, 2006.

15 10. To date, the Respondent failed to provide any exam materials to
16 the Department.

17
18 **ISSUES OF LAW**

19 II. The staff of the Department, alleges the following issues of law:

20 1. The Department realleges the above stated facts in paragraphs 1
21 through 10.

22 2. The Department has jurisdiction over the licensing and
23 regulation of persons engaged in mortgage banker activities
24 pursuant to NH RSA 397-A:3.

25 3. Pursuant to New Hampshire Banking law, RSA 397-A:12 the
Department may examine the business affairs of any licensee or

1 any other person, whether licensed or not, as it deems necessary
2 to determine compliance with this Chapter and the rules adopted
3 pursuant to it and with the Consumer Credit Protection Act, as
4 amended (15 U.S.C. 1601 et seq.). In determining compliance,
5 the Department may examine the books, accounts, records, files,
6 and other documents or matters of any licensee or person. RSA
7 397-A:12 further requires every person being examined, and all
8 of the officers, directors, employees, agents, and
9 representatives of such person shall make freely available to
10 the commissioner or his examiners, the accounts, records,
11 documents, files, information, assets, and matters in their
12 possession or control relating to the subject of the examination
13 and shall facilitate the examination. The Respondent violated
14 this provision by failing to provide the examination materials
15 in a timely fashion as required in the First Day Letter.

16 4. RSA 397-A:11 requires licensees to submit a list of loans within
17 7 days of the Department's request. That statute further
18 requires requested files be provided to the Department within 14
19 days of the request. The Respondent failed to submit a list of
20 loans within 7 days of request.

21 5. RSA 397-A:17 II allows the Department to immediately suspend a
22 license for 30 days pending the investigation of that licensee.

23 6. RSA 397-A:21 IV provides that any person who, either knowingly
24 or negligently, violates any provision of Chapter 397-A, may
25 upon hearing, and in addition to any other penalty provided for
by law, be subject to an administrative fine not to exceed

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Respectfully submitted by:

 /S/
James Shepard
Staff Attorney

February 5, 2007
Date

1 Editorial NOTE: Exhibits 1 and 2 are on file at the Banking Department and
2 available upon written request.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25