

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 07-045  
 )  
 3 State of New Hampshire Banking ) Order to Show Cause  
 )  
 4 Department, )  
 ) with Immediate Suspension  
 5 Petitioner, )  
 )  
 6 and )  
 )  
 7 Key Leads Global, Inc., )  
 )  
 8 Respondent )  
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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. The Department further may  
18 take action for immediate suspension.

19 Pursuant to RSA 397-A:21, the Commissioner has the authority to  
20 suspend, revoke or deny any license and to impose administrative penalties of  
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

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

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

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

16 The Staff Petition dated February 26, 2007 (a copy of which is attached  
17 hereto) is incorporated by reference hereto.

18 **ORDER**

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

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

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

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

and

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

It is hereby ORDERED that:



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State of New Hampshire Banking Department

In re the Matter of:	)	Case No.: 07-045
	)	
State of New Hampshire Banking	)	Staff Petition
	)	
Department,	)	
	)	
Petitioner,	)	February 26, 2007
	)	
and	)	
	)	
Key Leads Global, Inc.,	)	
	)	
Respondent	)	
	)	

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STATEMENT OF ALLEGATIONS

- I. The Staff of the Banking Department, State of New Hampshire (hereinafter referred to as the "Department") alleges the following facts:
1. On or about August 14, 2006 the Department was scheduled to begin an examination of Key Leads Global, Inc. (hereinafter "Respondent").
  2. Respondent is licensed as a Mortgage Banker and at all times relevant to this action held a Department license since at least 2005.
  3. The Department sent a notice of an upcoming examination to the Respondent via US Certified Mail on July 7, 2006 (mail piece number: 7002 2030 0000 9677 2777). The Respondent received and signed for the mail piece on or about July 12, 2006.
  4. On September 7, 2006 the Department sent the Respondent via US Certified Mail a second letter (mail piece number: 7002 2030 0000

1 9677 0070) referencing the first letter and requesting the  
2 materials again. There is no record of the Respondent receiving  
3 the second notice.

4 5. On November 2, 2006 the Department re-sent the second notice to  
5 the Respondent via US Certified Mail a second letter (mail piece  
6 number: 7002 2030 0000 9677 4221). The Respondent received and  
7 signed for the mail piece.

8 6. To date, the Respondent has failed to provide any exam materials  
9 to the Department.

10 7. The number of days between July 12, 2006 and today's date after  
11 subtracting the 21 day period allowed by statute is 209.

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13 **ISSUES OF LAW**

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

15 1. The Department realleges the above stated facts in paragraphs 1  
16 through 6. [Ed: 6 struck and replaced with 7 by hand]

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

20 3. Pursuant to New Hampshire Banking law, RSA 397-A:12 the  
21 Department may examine the business affairs of any licensee or  
22 any other person, whether licensed or not, as it deems necessary  
23 to determine compliance with this Chapter and the rules adopted  
24 pursuant to it and with the Consumer Credit Protection Act, as  
25 amended (15 U.S.C. 1601 et seq.). In determining compliance,  
the Department may examine the books, accounts, records, files,

1 and other documents or matters of any licensee or person. RSA  
2 397-A:12 further requires every person being examined, and all  
3 of the officers, directors, employees, agents, and  
4 representatives of such person shall make freely available to  
5 the commissioner or his examiners, the accounts, records,  
6 documents, files, information, assets, and matters in their  
7 possession or control relating to the subject of the examination  
8 and shall facilitate the examination. The Respondent violated  
9 this provision by failing to provide the examination materials  
10 in a timely fashion as required in the First Day Letter.

11 4. Pursuant to RSA 397-A:11 if Respondents maintain their business  
12 records and files in another state they are required to return  
13 them to New Hampshire. Failure to do so subjects licensees to a  
14 penalty of \$50 per day after the 21<sup>st</sup> day.

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

17 6. RSA 397-A:21 IV provides that any person who, either knowingly  
18 or negligently, violates any provision of Chapter 397-A, may  
19 upon hearing, and in addition to any other penalty provided for  
20 by law, be subject to an administrative fine not to exceed  
21 \$2,500, or both. Each of the acts specified shall constitute a  
22 separate violation, and such administrative action or fine may  
23 be imposed in addition to any criminal penalties or civil  
24 liabilities imposed by New Hampshire Banking laws.

25 **RELIEF REQUESTED**

1 III. The staff of the Department requests the Commissioner take the  
2 following Action:

- 3 1. Find as fact the allegations contained in section I of this  
4 petition;
- 5 2. Make conclusions of law relative to the allegations contained  
6 in section II of the this petition;
- 7 3. Immediately suspend the license of the Respondent and Order  
8 them to Show Cause why it should not be revoked;
- 9 4. Assess fines and administrative penalties in accordance with  
10 RSA 397-A:21, for violations of Chapter 397-A, in the number  
11 and amount equal to the violations set forth in section II of  
12 this petition; and
- 13 5. Order Respondent to pay the statutory penalty from RSA 397-  
14 A:11.
- 15 6. Take such other administrative and legal actions as necessary  
16 for enforcement of the New Hampshire Banking Laws, the  
17 protection of New Hampshire citizens, and to provide other  
18 equitable relief.

19 **RIGHT TO AMEND**

20 IV. The Department reserves the right to amend this Staff Petition and  
21 to request that the Commissioner take additional administrative  
22 action. Nothing herein shall preclude the Department from bringing  
23 additional enforcement action under RSA 397-A or the regulations  
24 thereunder.

25 Respectfully submitted by:

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      /S/        
James Shepard  
Staff Attorney

      2/27/07        
Date