

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-125
)
 3 State of New Hampshire Banking) Order to Show Cause
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Global Home Loans & Finance Inc,)
)
 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 July 3, 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 \$7,500.00 should not be imposed;

25 and

2. Respondents license should not be revoked; and

It is hereby ORDERED that:

3. Respondent shall pay \$2,176.57 in examination fees

immediately; and

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-122
)
 3 State of New Hampshire Banking) Staff Petition
)
 4 Department,)
)
 5 Petitioner,) July 3, 2007
)
 6 and)
)
 7 Global Home Loans & Finance Inc,)
)
 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 January 17, 2006 the Department began conducting an
15 examination of Global Home Loans & Finance Inc (hereinafter
16 "Respondent").
- 17 2. Respondent is licensed as a Mortgage Banker and at all times
18 relevant to this action has held a Department license since at least
19 2003.
- 20 3. The Department sent an invoice for the cost of the exam in the
21 amount of \$2,176.57 to the Respondent via Certified Mail on May 25,
22 2006 (mail piece number: 7002 2410 0005 1958 3494). The Respondent
23 received and signed for the mail piece on or about May 30, 2006.
- 24 4. A second invoice was sent to the Respondent on June 29, 2006.
- 25 5. A third invoice was sent to the Respondent on August 1, 2006.

1 6. On September 6, 2006 the Department notified the Respondent that the
2 matter of the unpaid exam fees was being referred for enforcement
3 action.

4 7. To date, the Respondent has not paid the outstanding invoice.

5 8. The Department sent letters to the Respondent on January 30, 2006
6 and April 20, 2006 advising the Respondent its 2005 financial
7 statement was due on or before March 31, 2006.

8 9. On May 23, 2006 the Department sent a letter to the Respondent
9 informing the Respondent that its financial statement was late.

10 10. The Department sent a warning letter to the Respondent via US
11 Certified Mail on May 24, 2006 (mail piece number: 7002 3150 0004
12 7242 5297) advising that it had until June 15, 2006 to file the
13 financial statement or administrative action would be commenced.
14 The Respondent received and signed for the letter on or about May
15 30, 2006.

16 11. To date the Respondent has not filed its 2005 financial statement.

17 12. On June 4, 2007 the Department sent the Respondent via US Certified
18 Mail (mail piece number: 7006 3450 0000 0611 8308) a letter
19 notifying the Respondent it had failed to file its 2006 annual
20 report. The letter was returned to the Department as not
21 deliverable on June 14, 2007.

22 13. To date the Respondent has not filed its 2006 annual report.

23 **ISSUES OF LAW**

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

25 1. The Department realleges the above stated facts in paragraphs 1
through 13.

- 1 2. The Department has jurisdiction over the licensing and
2 regulation of persons engaged in mortgage banker activities
3 pursuant to NH RSA 397-A:3.
- 4 3. Pursuant to New Hampshire Banking law, RSA 397-A:12 the
5 Department may examine the business affairs of any licensee or
6 any other person, whether licensed or not, as it deems necessary
7 to determine compliance with this Chapter and the rules adopted
8 pursuant to it and with the Consumer Credit Protection Act, as
9 amended (15 U.S.C. 1601 et seq.). In determining compliance,
10 the Department may examine the books, accounts, records, files,
11 and other documents or matters of any licensee or person. RSA
12 397-A:12 further requires every person being examined, and all
13 of the officers, directors, employees, agents, and
14 representatives of such person shall make freely available to
15 the commissioner or his examiners, the accounts, records,
16 documents, files, information, assets, and matters in their
17 possession or control relating to the subject of the examination
18 and shall facilitate the examination. RSA 397-A:12 V further
19 provides that licensees are to pay the costs of examinations.
20 The Respondent violated this provision by failing to pay the
21 cost of examination in a timely fashion.
- 22 4. RSA 397-A:13 II requires licensees to file, under oath, a
23 financial statement within 90 days of its fiscal year end. The
24 Respondent violated this provision by failing to file its
25 financial statement by March 30, 2006.

1 and amount equal to the violations set forth in section II of
2 this petition; and

3 5. Order the Respondent to pay the exam fee from RSA 397-A:12.

4 6. Take such other administrative and legal actions as necessary
5 for enforcement of the New Hampshire Banking Laws, the
6 protection of New Hampshire citizens, and to provide other
7 equitable relief.

8 RIGHT TO AMEND

9 IV. The Department reserves the right to amend this Staff Petition and
10 to request that the Commissioner take additional administrative
11 action. Nothing herein shall preclude the Department from bringing
12 additional enforcement action under RSA 397-A or the regulations
13 thereunder.

14 Respectfully submitted by:

15
16 /S/
17 James Shepard
Staff Attorney

7/3/07
Date