

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-141
)
 3 State of New Hampshire Banking) Order to Show Cause
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Allstate Home Loans 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.

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

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

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

16 **ORDER**

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

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

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

23 1. Administrative penalties of \$5,000.00 should not be imposed;

24 and

25 2. Statutory penalties of \$2,500.00 should not be imposed; and

3. Payment of the outstanding examination fees in the amount of
\$1,135.00 should not be ordered; and

4. Respondents 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.: 07-141
)
 3 State of New Hampshire Banking) Staff Petition
)
 4 Department,)
)
 5 Petitioner,) November 15, 2007
)
 6 and)
)
 7 Allstate Home Loans 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. Respondent is licensed as a Mortgage Banker and at all times
15 relevant to this action has held a Department license since at
16 least 2002.
- 17 2. On or about April 2, 2007 Allstate Home Loans Inc. (hereinafter
18 "Respondent") was required to file a financial statement with the
19 Department for its fiscal year end of December 31, 2006.
- 20 3. Prior to it being due, the Department sent a letter to Respondent
21 reminding them that they would have to file a financial statement
22 by April 2, 2007.
- 23 4. On April 4, 2007 the Department sent the Respondent a letter
24 advising them that the financial statement had not been received
25 and they had begun to accrue a \$25.00 per day fine for late
submission of materials.

1 5. On April 25, 2007 the Department sent the Respondent a second
2 reminder letter regarding the accruing fine.

3 6. To date the Respondent has failed to submit its financial
4 statement.

5 7. On November 13, 2006 the Department conducted an examination of
6 the Respondent.

7 8. On June 29, 2007 the Department sent an invoice to the Respondent
8 in the amount of \$1,135.00 for the cost of the examination.

9 9. To date the Respondent has failed to pay the outstanding invoice
10 for its examination.

11 **ISSUES OF LAW**

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

13 1. The Department has jurisdiction over the licensing and
14 regulation of persons engaged in mortgage banker activities
15 pursuant to NH RSA 397-A:3.

16 2. RSA 397-A:13 II provides that a licensee shall file its
17 financial statement within 90 days from the date of its fiscal
18 year end. The Respondent violated this provision by failing to
19 submit its financial statement.

20 3. RSA 397-A:13 IV provides that any mortgage banker which fails to
21 file its financial statement within the time prescribed may be
22 required to pay to the department a penalty of \$25.00 for each
23 calendar day the statement is overdue up to a maximum penalty of
24 \$2,500.00.

25 4. RSA 397-A:12 I provides that the Department may examine the
business affairs of any licensee.

