

1 State of New Hampshire Banking Department

2	In re the Matter of:)Case No.: 07-168
)
3	State of New Hampshire Banking)
4	Department,)Order to Show Cause
)
5	Petitioner,)
)
6	and)
)
7	Global Financial Resources, LLC (d/b/a)
)
8	Infinite Global Financial Resources),)
)
9	and Charles J. Foti,)
)
10	Respondents)

11 NOTICE OF ORDER

12 This Order commences an adjudicative proceeding under the provisions
13 of RSA Chapter 397-A and RSA Chapter 541-A.

14 LEGAL AUTHORITY AND JURISDICTION

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

19 Pursuant to RSA 397-A:18, the Department has the authority to issue a
20 complaint setting forth charges whenever the Department is of the opinion
21 that the licensee or person over whom the Department has jurisdiction is
22 violating or has violated any provision of RSA Chapter 397-A, or any rule or
23 order thereunder.

24 Pursuant to RSA 397-A:20,IV, the Commissioner may issue, amend, or
25 rescind such orders as are reasonably necessary to comply with the

1 provisions of the Chapter.

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

6 Pursuant to RSA 383:10-d, the Commissioner shall investigate conduct
7 that is or may be an unfair or deceptive act or practice under RSA 358-A and
8 exempt under RSA 358-A:3,I or that may violate any of the provisions of
9 Titles XXXV and XXXVI and administrative rules adopted thereunder. The
10 Commissioner may hold hearings relative to such conduct and may order
11 restitution for a person or persons adversely affected by such conduct.

12 **NOTICE OF RIGHT TO REQUEST A HEARING**

13 The above named Respondents have the right to request a hearing on
14 this Order to Show Cause, as well as the right to be represented by counsel
15 at each Respondent's own expense. All hearings shall comply with RSA Chapter
16 541-A. Any such request for a hearing shall be in writing, and signed by the
17 Respondent or the duly authorized agent of the above named Respondent, and
18 shall be delivered either by hand or certified mail, return receipt
19 requested, to the Banking Department, State of New Hampshire, 53 Regional
20 Drive, Suite 200, Concord, NH 03301. Such hearings will be scheduled within
21 10 days of the Department's receipt of the request. If the Respondent fails
22 to appear at the hearing after being duly notified, such person shall be
23 deemed in default, and the proceeding may be determined against the Respondent
24 upon consideration of the Order to Show Cause, the allegations of which may be
25 deemed to be true.

1 to the penalties listed in Paragraphs 1 through 2 above, the
2 \$1,035.00 examination fee should not be paid to the
3 Department;

4 4. Respondents shall be jointly and severally liable for the
5 above amounts alleged in Paragraphs 1 through 3 above;

6 5. The above named Respondents shall show cause why, in addition
7 to the penalties listed in Paragraphs 1 through 4 above,
8 Respondent Global Financial's license should not be revoked.

9 It is hereby further ORDERED that:

10 6. Along with the administrative penalties listed for the above
11 named Respondents, the outstanding sum of \$1,035.00 shall be
12 immediately paid; and

13 7. Failure to request a hearing within 30 days of the date of
14 receipt or valid delivery of this Order shall result in a
15 default judgment being rendered and administrative penalties
16 imposed upon the defaulting Respondent(s).

17
18 SIGNED,

19
20 Dated: 07/07/09

21 /s/
PETER C. HILDRETH
BANK COMMISSIONER

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 07-168
3 State of New Hampshire Banking)
4 Department,) Staff Petition
5 Petitioner,) July 6, 2009
6 and)
7 Global Financial Resources, LLC (d/b/a)
8 Infinite Global Financial Resources),)
9 and Charles J. Foti,)
10 Respondents)

11 I. STATEMENT OF ALLEGATIONS

12 The Staff of the Banking Department, State of New Hampshire (hereinafter
13 "Department") alleges the following facts:

14 Facts Common on All Counts:

- 15 1. Respondent Global Financial Resources, LLC (d/b/a Infinite
16 Global Financial Resources) (hereinafter "Respondent Global
17 Financial") was licensed as a Mortgage Broker from at least June
18 29, 2005 (with an amended license date of October 24, 2005)
19 until its license expired on December 31, 2006.
- 20 2. Respondent Charles J. Foti (hereinafter "Respondent Foti") was
21 the Manager and President of Respondent Global Financial, when
22 licensed by the Department.

1 Violation of RSA 397-A:12,V Failure to Pay Examination Fee (1 Count):

2 Violation of RSA 397-A:13,VI Failure of Officer and Owner to Respond to

3 Department Inquiries (1 Count):

4 3. Paragraphs 1 through 2 are hereby realleged as fully set forth
5 herein.

6 4. The Department conducted an examination of Respondent Global
7 Financial on August 7, 2006, while Respondent Global Financial
8 was still licensed with the Department.

9 5. On November 21, 2006, the Department mailed the report of
10 examination and invoice for \$1,035.00 to Respondent Global
11 Financial, via U.S. Certified Mail Return Receipt requested,
12 which the post office returned to the Department on January 9,
13 2007 as "unclaimed".

14 6. On January 10, 2007, the Department mailed the report of
15 examination and invoice for \$1,035.00 to Respondent Global
16 Financial, via UPS, which Respondents received on January 11,
17 2007.

18 7. The Respondents failed to respond to the January 10, 2007
19 Department correspondence.

20 8. The Department, via U.S. mail, mailed a second notice on January
21 26, 2007 and a third notice on March 14, 2007.

22 9. The above named Respondents did not respond to any of the three
23 notices for payment of the \$1,035.00 invoice.

24 10. To date, the above named Respondents still owe the \$1,035.00
25 examination fee for the 2.07 day examination.

1 **II. ISSUES OF LAW**

2 The staff of the Department alleges the following issues of law:

- 3 1. The Department realleges the above stated facts in Paragraphs 1
4 through 9 as fully set forth herein.
- 5 2. The Department has jurisdiction over the licensing and regulation
6 of persons engaged in mortgage banker or broker activities
7 pursuant to NH RSA 397-A:2 and RSA 397-A:3.
- 8 3. RSA 397-A:12,V provides that the expense of such examination shall
9 be chargeable to and paid by the licensee. Each of the above
10 named Respondents violated this provision on at least one occasion
11 as alleged above. To date, the above named Respondents have
12 failed to pay the \$1,035.00 examination invoice.
- 13 4. RSA 397-A:13,VI provides that any officer, owner, manager or agent
14 of any licensee shall reply promptly in writing, or other
15 designated form, to any written inquiry from the Department.
16 Respondent Foti violated this provision on at least one occasion
17 as alleged above.
- 18 5. RSA 397-A:17,I provides in part that the Commissioner may by
19 order, upon due notice and opportunity for hearing, assess
20 penalties or deny, suspend, or revoke a license or application if
21 it is in the public interest and the applicant, respondent, or
22 licensee, any partner, officer, member, or director, any person
23 occupying a similar status or performing similar functions, or any
24 person directly or indirectly controlling the applicant,
25 respondent, or licensee: (a) has violated any provision of RSA

1 Chapter 397-A or rules thereunder, or (b) has not met the
2 standards established in RSA Chapter 397-A.

3 6. RSA 397-A:18,I provides that the Department may issue a complaint
4 setting forth charges whenever the Department is of the opinion
5 that the licensee or person over whom the Department has
6 jurisdiction, has violated any provision of RSA 397-A or orders
7 thereunder.

8 7. RSA 397-A:21,IV provides that any person who, either knowingly or
9 negligently, violates any provision of Chapter 397-A, may upon
10 hearing, and in addition to any other penalty provided for by law,
11 be subject to an administrative fine not to exceed \$2,500.00, or
12 both. Each of the acts specified shall constitute a separate
13 violation, and such administrative action or fine may be imposed
14 in addition to any criminal penalties or civil liabilities imposed
15 by New Hampshire Banking laws.

16 8. RSA 397-A:21,V provides that every person who directly or
17 indirectly controls a person liable under this section, every
18 partner, principal executive officer or director of such person,
19 every person occupying a similar status or performing a similar
20 function, every employee of such person who materially aids in the
21 act constituting the violation, and every licensee or person acting
22 as a common law agent who materially aids in the acts constituting
23 the violation, either knowingly or negligently, may, upon notice
24 and opportunity for hearing, and in addition to any other penalty
25 provided for by law, be subject to suspension, revocation, or

1 denial of any registration or license, including the forfeiture of
2 any application fee, or the imposition of an administrative fine
3 not to exceed \$2,500, or both. Each of the acts specified shall
4 constitute a separate violation, and such administrative action or
5 fine may be imposed in addition to any criminal or civil penalties
6 imposed.

7 **III. RELIEF REQUESTED**

8 The staff of the Department requests the Commissioner take the following
9 action:

- 10 1. Find as fact the allegations contained in section I of this Staff
11 Petition;
- 12 2. Make conclusions of law relative to the allegations contained in
13 section II of this Staff Petition;
- 14 3. Pursuant to RSA 397-A:17, order each of the above named
15 Respondents to show cause why their license should not be revoked;
- 16 4. Assess fines and administrative penalties in accordance with RSA
17 397-A:21, for violations of Chapter 397-A, in the number and
18 amount equal to the violations set forth in section II of this
19 Staff Petition; and
- 20 5. Take such other administrative and legal actions as necessary for
21 enforcement of the New Hampshire Banking Laws, the protection of
22 New Hampshire citizens, and to provide other equitable relief.

