

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 07-201  
) )  
3 State of New Hampshire Banking ) Order to Show Cause  
) )  
4 Department, )  
) )  
5 Petitioner, )  
) )  
6 and )  
) )  
7 Bann-Cor Mortgage, Inc., )  
) )  
8 Respondent )  
) )

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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 17, 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 \$5,000.00 should not be imposed;

25 and

2. Respondents license should not be revoked; and

It is hereby ORDERED that:

3. Respondent shall pay \$4,465.00 in examination fees

immediately; and



1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 07-201  
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 3 State of New Hampshire Banking ) Staff Petition  
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 4 Department, )  
 )  
 5 Petitioner, ) July 17, 2007  
 )  
 6 and )  
 )  
 7 Bann-Cor Mortgage, Inc., )  
 )  
 8 Respondent )  
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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 August 14, 2006 the Department began conducting an  
15 examination of Bann-Cor Mortgage, Inc. (hereinafter "Respondent").

16 2. Respondent was licensed as a Mortgage Banker and at all times  
17 relevant to this action held a Department license since at least  
18 2000.

19 3. The Department sent an invoice for the cost of the exam in the  
20 amount of \$4,465.00 to the Respondent via Certified Mail on May  
21 14, 2007 (mail piece number: 7006 3450 0000 0611 5833). The  
22 Respondent received and signed for the mail piece on or about May  
23 17, 2007.

24 4. Licensees are required to pay invoices within 60 days of their  
25 receipt.

1 5. On June 25, 2007 the Department received notification from the  
2 Respondent's attorney that it had suffered financial difficulties  
3 and was unable to pay the invoice.

4 6. Despite such an assertion licensee has made no attempt to  
5 surrender the license.

6  
7 **ISSUES OF LAW**

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

- 9 1. The Department has jurisdiction over the licensing and  
10 regulation of persons engaged in mortgage banker activities  
11 pursuant to NH RSA 397-A:3.
- 12 2. Pursuant to New Hampshire Banking law, RSA 397-A:12 the  
13 Department may examine the business affairs of any licensee or  
14 any other person, whether licensed or not, as it deems necessary  
15 to determine compliance with this Chapter and the rules adopted  
16 pursuant to it and with the Consumer Credit Protection Act, as  
17 amended (15 U.S.C. 1601 et seq.). RSA 397-A:12 provides that  
18 licensees are to pay the costs of such examinations.
- 19 3. RSA 383:11 provides that licensees are to pay the costs of  
20 examinations within 60 days of receipt of notice.
- 21 4. RSA 397-A:5 requires licensees to demonstrate and maintain a  
22 positive net worth. The Respondent violated this provision by  
23 notifying the Department it is unable to remain in business due  
24 to its financial difficulties.
- 25 5. RSA 397-A:21 IV provides that any person who, either knowingly  
or negligently, violates any provision of Chapter 397-A, may

1 upon hearing, and in addition to any other penalty provided for  
2 by law, be subject to suspension or revocation of their license  
3 or an administrative fine not to exceed \$2,500, or both. Each  
4 of the acts specified shall constitute a separate violation, and  
5 such administrative action or fine may be imposed in addition to  
6 any criminal penalties or civil liabilities imposed by New  
7 Hampshire Banking laws.

8 **RELIEF REQUESTED**

9 III. The staff of the Department requests the Commissioner take the  
10 following Action:

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

**RIGHT TO AMEND**

