

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 08-035
)
 3 State of New Hampshire Banking) Order to Show Cause
)
 4 Department,)
)
 5 Petitioner,)
)
 6 and)
)
 7 Bridge Capital Corporation, Mike R.)
)
 8 Ahmari, Andy Firoved, and Lorraine)
)
 9 Ennico,
 10 Respondents

11
12 NOTICE OF ORDER

13 This Order commences an adjudicative proceeding under the provisions of
14 RSA 397-A:17, RSA 541-A, BAN 200 and JUS 800.

15 LEGAL AUTHORITY AND JURISDICTION

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

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

23 NOTICE OF RIGHT TO REQUEST A HEARING

24 The above named respondents have the right to request a hearing on this
25 Order to Show Cause, as well as the right to be represented by counsel at
each Respondent's own expense. All hearings shall comply with RSA 541-A. Any
such request for a hearing shall be in writing, and signed by the respondents

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

9 If the Respondents fail 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 14, 2008 (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
against each named Respondent; and
2. Statutory penalties of \$8,900.00 should not be imposed against
Respondent Bridge pursuant to RSA 397-A:11; and
3. Respondent Bridge's license should not be revoked; and

1 State of New Hampshire Banking Department

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 3 State of New Hampshire Banking) Staff Petition
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 7 Bridge Capital Corporation, Mike R.)
)
 8 Ahmari, Andy Firoved, and Lorraine)
)
 9 Ennico,
 10 Respondent

11
12 STATEMENT OF ALLEGATIONS

13 The Staff of the Banking Department, State of New Hampshire (hereinafter
14 referred to as the "Department) alleges the following facts:

- 15 1. On or about August 20, 2007, the Department was scheduled to
16 begin an examination of Bridge Capital Corporation (hereinafter
17 "Respondent Bridge").
- 18 2. Respondent Mike Ahmari is, or was during the relevant time
19 period, majority shareholder and CEO of Respondent Bridge.
- 20 3. Respondent And Firoved is, or was during the relevant time
21 period, a director and officer of Respondent Bridge.
- 22 4. Respondent Lorraine Ennico is, or was during the relevant time
23 period, minority shareholder and Operations Manager of Respondent
24 Bridge.
- 25 5. Respondent Bridge was licensed as a Mortgage Banker and at all
times relevant to this action held a Department license since at

1 least 2000.

2 6. The Department sent a notice of an upcoming examination to the
3 Respondent via US Certified Mail on July 25, 2007 (mail piece
4 number 7006 3450 0000 0611 9671). The Respondent received and
5 signed for the notice on or about July 30, 2007.

6 7. On or about October 16, 2007 the Department sent a second notice
7 to the Respondent via US Certified Mail (mail piece number 7007
8 1490 0000 0420 3160). The Respondent received and signed for the
9 notice on or about October 20, 2007.

10 8. To date the Respondent has failed to facilitate the examination.

11 9. August 20, 2007 was the end of the 21-day grace period.

12 10. It has been 178 days since August 20, 2007 without any production
13 of documents.

14
15 **ISSUES OF LAW**

16 The staff of the Department, alleges the following issues of law:

17 1. The Department realleges the above stated facts in paragraphs 1
18 through 8.

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

22 3. Pursuant to New Hampshire Banking law, RSA 397-A:12 the
23 Department may examine the business affairs of any licensee or
24 any other person, whether licensed or not, as it deems necessary
25 to determine compliance with this Chapter and the rules adopted
pursuant to it and with the Consumer Credit Protection Act, as

1 amended (15 U.S.C. 1601 et seq.). In determining compliance,
2 the Department may examine the books, accounts, records, files,
3 and other documents or matters of any licensee or person. RSA
4 397-A:12 further requires every person being examined, and all
5 of the officers, directors, employees, agents, and
6 representatives of such person shall make freely available to
7 the commissioner or his examiners, the accounts, records,
8 documents, files, information, assets, and matters in their
9 possession or control relating to the subject of the examination
10 and shall facilitate the examination. The Respondent violated
11 this provision by failing to facilitate the examination.

12 4. RSA 397-A:11 provides for a fine of \$50 per day for every day
13 that records are not produced after 21 days.

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

22 6. RSA 397-A:21 V provides that every person who directly or
23 indirectly controls a person liable under this section, every
24 partner, principal executive officer or director of such person,
25 every person occupying a similar status or performing a similar
function, every employee of such person who materially aids in

1 the act constituting the violation, and every licensee or person
2 acting as a common law agent who materially aids in the acts
3 constituting the violation, either knowingly or negligently, may,
4 upon notice and opportunity for hearing, and in addition to any
5 other penalty provided for by law, be subject to suspension,
6 revocation, or denial of any registration or license, including
7 the forfeiture of any application fee, or the imposition of an
8 administrative fine not to exceed \$2,500, or both. Each of the
9 acts specified shall constitute a separate violation, and such
10 administrative action or fine may be imposed in addition to any
11 criminal or civil penalties imposed.

12 **RELIEF REQUESTED**

13 The staff of the Department requests the Commissioner take the following
14 Action:

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

RIGHT TO AMEND

1 The Department reserves the right to amend this Staff Petition and to
2 request that the Commissioner take additional administrative action.
3 Nothing herein shall preclude the Department from bringing additional
4 enforcement action under RSA 397-A or the regulations thereunder.

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8 Respectfully submitted by:

9
10 /s/
11 James Shepard
12 Staff Attorney

2/14/08
Date