

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 08-212
))
3 State of New Hampshire Banking) Order to Show Cause
))
4 Department,) with Immediate Suspension
))
5 Petitioner,))
))
6 and))
))
7 Saxon Mortgage Services, Inc.,))
))
8 Respondents))
))

9
10 NOTICE OF ORDER

11 This Order commences an adjudicative proceeding under the provisions of
12 RSA 397-B:6, RSA 541-A, BAN 200 and JUS 800 as applicable.

13 LEGAL AUTHORITY AND JURISDICTION

14 Pursuant to RSA 397-B:6, 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-B:3 and RSA 541-A:30 the Commissioner may by order
19 summarily postpone or suspend any license or application pending final
20 determination of any order to show cause, or other order, or of any other
21 proceeding under this section, provided the commissioner finds that the public
22 interest would be irreparably harmed by delay in issuing such order

23 The Commissioner has the authority to suspend, revoke or deny any
24 license and to impose administrative penalties of up to \$2,500.00 for each
25 violation of New Hampshire banking law and rules.

NOTICE OF RIGHT TO REQUEST A HEARING

1 The above named respondent(s) have the right to request a hearing
2 on this Order to Show Cause, as well as the right to be represented by
3 counsel. In accordance with RSA 541-A a hearing shall be held not more than
4 ten days from the signing of this Order.

5 After said hearing and within 20 days of the date of the hearing the
6 commissioner shall issue a further order vacating the Order to Show Cause or
7 making it permanent as the facts require and making such findings as are
8 necessary on the Show Cause order. All hearings shall comply with 541-A. If
9 the person to whom an order is issued fails to appear at the hearing after
10 being duly notified, such person shall be deemed in default, and the proceeding
11 may be determined against him or her upon consideration of the Order to Show
12 Cause, the allegations of which may be deemed to be true.

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

14 The Staff Petition dated June 4, 2008 (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 \$7,500.00 should not be imposed
24 against the Respondent; and

25 2. Respondent's license should not be revoked; and

 FINDING a substantial likelihood that delay will cause harm to the
public health, safety or welfare, requiring emergency action it is
hereby further ORDERED:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

State of New Hampshire Banking Department

In re the Matter of:)	Case No.: 08-212
)	
State of New Hampshire Banking)	Staff Petition
)	
Department,)	
)	
Petitioner,)	June 4, 2008
)	
and)	
)	
Saxon Mortgage Services, Inc.,)	
)	
Respondent)	
)	

STATEMENT OF ALLEGATIONS

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

1. Respondent is registered as a Mortgage Servicer and at all times relevant to this action has held a Department registration since at least 1998.
2. On November 29, 2007 the Commissioner ordered all mortgage servicers to designate a person in their organization with sufficient authority to facilitate foreclosure avoidance procedures within seven days of the order. The Order further obligated the servicers to update the information within two days of a change in the information.
3. Respondent designated its then President, David Dill, pursuant to the Order.
4. On April 21, 2008 bank examiner Micheal Poullos was informed that David Dill was no longer with the company.

1 5. On April 22, 2008 Regulatory Analyst Rebecca Stone sent a letter
2 to Respondent reminding them of their obligation to update their
3 filings with the Department. The letter further reminded
4 Respondent of its obligation to re-designate a contact for loan
5 workout matters.

6 6. The Respondent has not responded to any of the requests for
7 response contained in that letter.

8 7. On May 7, 2008 the Department received a hotline call from a
9 certain borrower facing foreclosure who complained of not being
10 able to reach Respondent.

11 8. On the same day Bank Examiner Sarah Lobdell left several messages
12 and tried faxing communications to different employees at
13 Respondent about the matter.

14 9. As of this petition date Respondent has not responded in any way
15 to Ms. Lobdell's communications.

16 10. In May, 2008 this petitioner sent a letter via certified mail to
17 Respondent directing Respondent to update their designated
18 contact for loan workouts and directing them to immediately
19 contact Examiner Lobdell in reference to the aforementioned
20 consumer.

21 11. Respondent received said letter on May 27, 2008.

22 12. As of this petition date Respondent has not responded in any way
23 to that communication.

24 13. Upon information and belief Respondent intends to hold the
25 scheduled foreclosure sale despite its alleged failure to
 communicate with the borrower and despite its failure to

