

1 State of New Hampshire Banking Department

) Case No.: 09-009

2 In re the Matter of: )

3 State of New Hampshire Banking )

4 Department, )

5 Petitioner, )

6 and )

7 Integrated Mortgage Solutions Inc )

8 (d/b/a The Mortgage Button), Paul A. )

9 Laprade, Bruce A. Taylor, Taylor C. )

10 Eidinger, Michael C. Seaver, and Nelson )

11 Zide, )

12 Respondents )

13 NOTICE OF ORDER TO SHOW CAUSE

14 This Order to Show Cause commences an adjudicative proceeding under  
15 the provisions of RSA Chapter 397-A and RSA Chapter 541-A.

16 LEGAL AUTHORITY AND JURISDICTION

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

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

1 Pursuant to RSA 397-A:20,IV the Commissioner may issue, amend, or  
2 rescind such orders as are reasonably necessary to comply with the  
3 provisions of the Chapter.

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

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

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

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

1 in default, and the proceeding may be determined against the Respondent upon  
2 consideration of this Order to Show Cause, the allegations of which may be  
3 deemed to be true.

4 If any of the above named Respondents fails to request a hearing within  
5 30 calendar days of receipt of such order or reach a formal written and  
6 executed settlement with the Department within that time frame, then such  
7 person shall likewise be deemed in default, and the orders shall, on the  
8 thirty-first day, become permanent, and shall remain in full force and effect  
9 until and unless later modified or vacated by the Commissioner, for good cause  
10 shown.

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

12 The Staff Petition dated March 1, 2010 (a copy of which is attached  
13 hereto) is incorporated by reference hereto.

14 **ORDER**

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

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

20 It is hereby ORDERED, that:

- 21 1. Respondent Integrated Mortgage Solutions Inc (d/b/a The  
22 Mortgage Button) ("Respondent Integrated") shall show cause  
23 why penalties in the amount of \$5,000.00 should not be  
24 imposed against it;

- 25 2. Respondent Paul A. Laprade ("Respondent Laprade") shall show

1           cause why penalties in the amount of \$7,500.00 should not be  
2           imposed against him;

3           3. Respondent Bruce A. Taylor ("Respondent Taylor") shall show  
4           cause why penalties in the amount of \$5,000.00 should not be  
5           imposed against him;

6           4. Respondent Taylor C. Eidinger ("Respondent Eidinger") shall  
7           show cause why penalties in the amount of \$5,000.00 should  
8           not be imposed against him;

9           5. Respondent Michael C. Seaver ("Respondent Seaver") shall show  
10          cause why penalties in the amount of \$5,000.00 should not be  
11          imposed against him;

12          6. Respondent Nelson Zide ("Respondent Zide") shall show cause  
13          why penalties in the amount of \$5,000.00 should not be  
14          imposed against him;

15          7. The above named Respondents shall show cause why, in addition  
16          to the penalties listed in Paragraphs 1 through 6 above, the  
17          \$815.00 examination fee should not be paid to the Department;

18          8. The above named Respondents shall show cause why, in addition  
19          to the penalties listed in Paragraphs 1 through 7 above, the  
20          fine for \$1,550.00 for the late filing of the 2008 annual  
21          report should not be paid to the Department;

22          9. Respondents shall be jointly and severally liable for the  
23          above amounts alleged in Paragraphs 1 through 8 above;

24          10. The above named Respondents shall show cause why, in addition  
25          to the penalties listed in Paragraphs 1 through 8 above,

1 Respondent Integrated's license should not be revoked.

2 It is hereby further ORDERED that:

3 11. Along with the administrative penalties listed for the above  
4 named Respondents, the outstanding sum of \$2,365.00 shall be  
5 immediately paid; and

6 12. Failure to request a hearing within 30 days of the date of  
7 receipt or valid delivery of this Order to Show Cause shall  
8 result in a default judgment being rendered and  
9 administrative penalties imposed upon the defaulting  
10 Respondent(s).

11  
12 SIGNED,

13  
14 Dated: 03/11/10

/s/

PETER C. HILDRETH  
BANK COMMISSIONER

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 09-009  
3 State of New Hampshire Banking )  
4 Department, ) Staff Petition  
5 Petitioner, ) March 1, 2010  
6 and )  
7 Integrated Mortgage Solutions Inc )  
8 (d/b/a The Mortgage Button), Paul A. )  
9 Laprade, Bruce A. Taylor, Taylor C. )  
10 Eidinger, Michael C. Seaver, and Nelson )  
11 Zide, )  
12 Respondents )

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13 I. STATEMENT OF ALLEGATIONS

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

16 Facts Common on All Counts:

- 17 1. Respondent Integrated Mortgage Solutions Inc (d/b/a The Mortgage  
18 Button) (hereinafter "Respondent Integrated") was licensed as a  
19 Mortgage Banker from at least June 7, 2004 (with an amended  
20 license date of December 26, 2006) until its license expired on  
21 December 31, 2008.
- 22 2. Respondent Paul A. Laprade (hereinafter "Respondent Laprade") was  
23 the 60% owner and President of Respondent Integrated, when  
24 licensed by the Department.
- 25 3. Respondent Bruce A. Taylor (hereinafter "Respondent Taylor") was

1 the 10% owner, shareholder and control person of Respondent  
2 Integrated, when licensed by the Department.

3 4. Respondent Taylor C. Eidinger (hereinafter "Respondent Eidinger")  
4 was the 10% owner, shareholder and control person of Respondent  
5 Integrated, when licensed by the Department.

6 5. Michael C. Seaver (hereinafter "Respondent Seaver") was the 10%  
7 owner, shareholder and control person of Respondent Integrated,  
8 when licensed by the Department.

9 6. Nelson Zide (hereinafter "Respondent Zide") was the 10% owner,  
10 shareholder and control person of Respondent Integrated, when  
11 licensed by the Department.

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

13 **Violation of RSA 397-A:13,VI Failure of Officer and Owner to Respond to**  
14 **Department Inquiries (1 Count):**

15 7. Paragraphs 1 through 6 are hereby realleged as fully set forth  
16 herein.

17 8. The Department conducted an examination of Respondent Integrated  
18 on October 8, 2007, while Respondent Integrated was still  
19 licensed with the Department.

20 9. On April 30, 2008, the Department mailed the report of examination  
21 and invoice for \$815.00 to Respondent Integrated, via U.S.  
22 Certified Mail Return Receipt requested, which Respondents  
23 received on May 5, 2008.

24 10. The above named Respondents failed to respond to the April 30,  
25 2008 correspondence from the Department.

1 11. The Department, via U.S. mail, mailed a second notice on June 24,  
2 2008 and a third notice on August 1, 2008.

3 12. The above named Respondents did not respond to any of the three  
4 notices for payment of the \$815.00 invoice.

5 13. To date, the above named Respondents still owe the \$815.00  
6 examination fee for the 1.63 day examination.

7 **Violation of RSA 397-A:13, IV Failure to Pay Late Penalty Owed for Late**

8 **Filing of Annual Report (1 Count):**

9 14. Paragraphs 1 through 13 are hereby realleged as fully set forth  
10 herein.

11 15. Respondent Integrated was licensed in 2008 and therefore, subject  
12 to the filing of the 2008 annual report of business.

13 16. Respondent Integrated's 2008 annual report was due on or before  
14 March 31, 2009.

15 17. Respondent Integrated filed its 2008 annual report on June 1, 2009  
16 (62 days late), generating a fine of \$1,550.00 (\$25.00 a day x 62  
17 days).

18 18. To date, the \$1,550.00 fine remains outstanding.

19 **II. ISSUES OF LAW**

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

21 1. The Department realleges the above stated facts in Paragraphs 1  
22 through 18 as fully set forth herein.

23 2. The Department has jurisdiction over the licensing and regulation  
24 of persons engaged in mortgage banker or broker activities  
25 pursuant to NH RSA 397-A:2 and RSA 397-A:3.

1 3. RSA 397-A:12,V provides that the expense of such examination shall  
2 be chargeable to and paid by the licensee. Each of the above  
3 named Respondents violated this provision on at least one occasion  
4 as alleged above. To date, the above named Respondents have  
5 failed to pay the \$815.00 examination invoice.

6 4. RSA 397-A:13,IV provides that any mortgage banker or mortgage  
7 broker failing to file either the annual report or the financial  
8 statement required by RSA Chapter 397-A within the time prescribed  
9 may be required to pay to the Department a penalty of \$25.00 for  
10 each calendar day the annual report or financial statement is  
11 overdue, up to a maximum penalty of \$2,500.00 per report or  
12 statement. Each of the above named Respondents violated this  
13 provision on at least one occasion as alleged above. The above  
14 named Respondents have failed to timely file an annual report,  
15 which generated a fine of \$1,550.00.

16 5. RSA 397-A:13,VI provides that any officer, owner, manager or agent  
17 of any licensee shall reply promptly in writing, or other  
18 designated form, to any written inquiry from the Department.  
19 Respondent Laprade violated this provision on at least one  
20 occasion as alleged above.

21 6. RSA 397-A:17,I provides in part that the Commissioner may by  
22 order, upon due notice and opportunity for hearing, assess  
23 penalties or deny, suspend, or revoke a license or application if  
24 it is in the public interest and the applicant, respondent, or  
25 licensee, any partner, officer, member, or director, any person

1 occupying a similar status or performing similar functions, or any  
2 person directly or indirectly controlling the applicant,  
3 respondent, or licensee: (a) has violated any provision of RSA  
4 Chapter 397-A or rules thereunder, or (b) has not met the  
5 standards established in RSA Chapter 397-A.

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

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

19 9. RSA 397-A:21,V provides that every person who directly or  
20 indirectly controls a person liable under this section, every  
21 partner, principal executive officer or director of such person,  
22 every person occupying a similar status or performing a similar  
23 function, every employee of such person who materially aids in the  
24 act constituting the violation, and every licensee or person acting  
25 as a common law agent who materially aids in the acts constituting

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

10 **III. RELIEF REQUESTED**

11 The staff of the Department requests the Commissioner take the following  
12 action:

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

