

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 09-065
)
 3 State of New Hampshire Banking)
)
 4 Department,) Order to Show Cause
)
 5 Petitioner,)
)
 6 and)
)
 7 Quotemearate.com, Inc, and Richard G.)
)
 8 Barroso,)
)
 9 Respondents)

10 NOTICE OF ORDER

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

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 and penalties for violations of New
17 Hampshire Banking laws should not be imposed.

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

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

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

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

2 In re the Matter of:) Case No.: 09-065
)
 3 State of New Hampshire Banking)
)
 4 Department,) Staff Petition
)
 5 Petitioner,) August 6, 2009
)
 6 and)
)
 7 Quotemearate.com, Inc, and Richard G.)
)
 8 Barroso,)
)
 9 Respondents)

10 I. STATEMENT OF ALLEGATIONS

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

13 Facts Common on All Counts:

- 14 1. Respondent Quotemearate.com, Inc (hereinafter "Respondent
15 Quotemearate") was licensed as a Mortgage Banker from at least
16 July 6, 2004 until it surrendered its license on April 17, 2006.
- 17 2. Respondent Richard G. Barroso (hereinafter "Respondent Barroso")
18 was the President of Respondent Quotemearate, when licensed by
19 the Department.

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

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

22 Department Inquiries (1 Count):

- 23 3. Paragraphs 1 through 2 are hereby realleged as fully set forth
24 herein.
- 25 4. The Department conducted an examination of Respondent Quotemearate

1 on December 5, 2005, while Respondent Quotemearate was still
2 licensed with the Department.

3 5. On July 21, 2006, the Department mailed the report of examination
4 and invoice for \$3,553.24 to Respondent Quotemearate, via U.S.
5 Certified Mail Return Receipt requested, which Respondents
6 received on July 27, 2006.

7 6. The above named Respondents failed to respond to the July 21, 2006
8 correspondence from the Department.

9 7. The Department, via U.S. mail, mailed a second notice on August
10 29, 2006 and a third notice on October 10, 2006.

11 8. The above named Respondents did not respond to any of the three
12 notices for payment of the \$3,553.24 invoice.

13 9. To date, the above named Respondents still owe the \$3,553.24
14 examination fee for the 8.44 day examination.

15 **II. 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 9 as fully set forth herein.

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

22 3. RSA 397-A:12,V provides that the expense of such examination shall
23 be chargeable to and paid by the licensee. Each of the above
24 named Respondents violated this provision on at least one occasion
25 as alleged above. To date, the above named Respondents have

1 failed to pay the \$3,553.24 examination invoice.

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

7 5. RSA 397-A:17,I provides in part that the Commissioner may by
8 order, upon due notice and opportunity for hearing, assess
9 penalties or deny, suspend, or revoke a license or application if
10 it is in the public interest and the applicant, respondent, or
11 licensee, any partner, officer, member, or director, any person
12 occupying a similar status or performing similar functions, or any
13 person directly or indirectly controlling the applicant,
14 respondent, or licensee: (a) has violated any provision of RSA
15 Chapter 397-A or rules thereunder, or (b) has not met the
16 standards established in RSA Chapter 397-A.

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

22 7. RSA 397-A:21,IV provides that any person who, either knowingly or
23 negligently, violates any provision of Chapter 397-A, may upon
24 hearing, and in addition to any other penalty provided for by law,
25 be subject to an administrative fine not to exceed \$2,500.00, or

1 both. Each of the acts specified shall constitute a separate
2 violation, and such administrative action or fine may be imposed
3 in addition to any criminal penalties or civil liabilities imposed
4 by New Hampshire Banking laws.

5 8. RSA 397-A:21,V provides that every person who directly or
6 indirectly controls a person liable under this section, every
7 partner, principal executive officer or director of such person,
8 every person occupying a similar status or performing a similar
9 function, every employee of such person who materially aids in the
10 act constituting the violation, and every licensee or person acting
11 as a common law agent who materially aids in the acts constituting
12 the violation, either knowingly or negligently, may, upon notice
13 and opportunity for hearing, and in addition to any other penalty
14 provided for by law, be subject to suspension, revocation, or
15 denial of any registration or license, including the forfeiture of
16 any application fee, or the imposition of an administrative fine
17 not to exceed \$2,500, or both. Each of the acts specified shall
18 constitute a separate violation, and such administrative action or
19 fine may be imposed in addition to any criminal or civil penalties
20 imposed.

21 **III. RELIEF REQUESTED**

22 The staff of the Department requests the Commissioner take the following
23 action:

- 24 1. Find as fact the allegations contained in section I of this Staff
25 Petition;

2. Make conclusions of law relative to the allegations contained in section II of this Staff Petition;
3. Assess fines and administrative penalties in accordance with RSA 397-A:21, for violations of Chapter 397-A, in the number and amount equal to the violations set forth in section II of this Staff Petition; and
4. Take such other administrative and legal actions as necessary for enforcement of the New Hampshire Banking Laws, the protection of New Hampshire citizens, and to provide other equitable relief.

IV. RIGHT TO AMEND

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

Respectfully submitted by:

/s/

Maryam Torben Desfosses
Hearings Examiner

08/06/09

Date