

1 State of New Hampshire Banking Department

)Case No.: 09-085

2 In re the Matter of:)

3 State of New Hampshire Banking)

4 Department,)

5 Petitioner,)

6 and)

7 Compass Mortgage Incorporation (d/b/a)

8 Wayland Mortgage), Louise C. Corliss,)

9 and Robert A. Lawlor,)

10 Respondents)

11 NOTICE OF ORDER

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

14 LEGAL AUTHORITY AND JURISDICTION

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

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

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

1 provisions of the Chapter.

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

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

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

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

1 deemed to be true.

2 If any of the above named Respondents fails to request a hearing within
3 30 calendar days of receipt of such order or reach a formal written and
4 executed settlement with the Department within that time frame, then such
5 person shall likewise be deemed in default, and the orders shall, on the
6 thirty-first day, become permanent, and shall remain in full force and effect
7 until and unless later modified or vacated by the Commissioner, for good cause
8 shown.

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

10 The Staff Petition dated January 22, 2010 (a copy of which is attached
11 hereto) is incorporated by reference hereto.

12 **ORDER**

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

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

18 It is hereby ORDERED, that:

- 19 1. Respondent Compass Mortgage Incorporated (d/b/a Wayland
20 Mortgage) ("Respondent Wayland Mortgage") shall show cause
21 why penalties in the amount of \$2,500.00 should not be
22 imposed against it;
- 23 2. Respondent Louise C. Corliss ("Respondent Corliss") shall
24 show cause why penalties in the amount of \$2,500.00 should
25 not be imposed against her;

1 3. Respondent Robert A. Lawlor ("Respondent Lawlor") shall show
2 cause why penalties in the amount of \$2,500.00 should not be
3 imposed against him;

4 4. The above named Respondents shall show cause why, in addition
5 to the penalties listed in Paragraphs 1 through 3 above, the
6 \$1,528.05 examination fee should not be paid to the
7 Department, as well as the \$14.10 UPS charge;

8 5. Respondents shall be jointly and severally liable for the
9 above amounts alleged in Paragraphs 1 through 4 above;

10 6. The above named Respondents shall show cause why, in addition
11 to the penalties listed in Paragraphs 1 through 5 above,
12 Respondent Wayland Mortgage's license should not be revoked.

13 It is hereby further ORDERED that:

14 7. Along with the administrative penalties listed for the above
15 named Respondents, the outstanding sum of \$1,542.15 shall be
16 immediately paid; and

17 8. Failure to request a hearing within 30 days of the date of
18 receipt or valid delivery of this Order shall result in a
19 default judgment being rendered and administrative penalties
20 imposed upon the defaulting Respondent(s).

21
22 SIGNED,

23
24 Dated: 01/28/10

25 _____
/s/
PETER C. HILDRETH
BANK COMMISSIONER

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 09-085
3 State of New Hampshire Banking)
4 Department,) Staff Petition
5 Petitioner,) January 22, 2010
6 and)
7 Compass Mortgage Incorporation (d/b/a)
8 Wayland Mortgage), Louise C. Corliss,)
9 and Robert A. Lawlor,)
10 Respondents)

11 I. STATEMENT OF ALLEGATIONS

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

14 Facts Common on All Counts:

- 15 1. Respondent Compass Mortgage Incorporation (d/b/a Wayland
16 Mortgage) (hereinafter "Respondent Wayland Mortgage") was
17 licensed as a Mortgage Broker from at least August 4, 2003 (with
18 an amended license date of March 21, 2008) until it surrendered
19 its license on August 21, 2008.
- 20 2. Respondent Louise C. Corliss (hereinafter "Respondent Corliss")
21 was the 50% owner, Treasurer and control person of Respondent
22 Wayland Mortgage, when licensed by the Department.
- 23 3. Respondent Robert A. Lawlor (hereinafter "Respondent Lawlor") was
24 the 50% owner, President and control person of Respondent Wayland
25 Mortgage, when licensed by the Department.

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

2 4. Paragraphs 1 through 3 are hereby realleged as fully set forth
3 herein.

4 5. The Department conducted an examination of Respondent Wayland
5 Mortgage on August 13, 2008, while Respondent Wayland Mortgage
6 was still licensed with the Department.

7 6. On May 6, 2009, the Department mailed the report of examination
8 and invoice for \$1,528.05 to Respondent Wayland Mortgage, via
9 U.S. Certified Mail Return Receipt requested, which the post
10 office returned to the Department on June 1, 2009.

11 7. The Department, via U.S. mail, mailed a second notice on June 11,
12 2009 and a third notice on July 22, 2009.

13 8. The Examinations Division telephoned Respondent Lawlor on July 27,
14 2009 examination fee. Respondent Lawlor informed the Department
15 Respondent Wayland Mortgage had ceased operations prior to
16 receiving the invoice.

17 9. Respondents also have a UPS delivery charge of \$14.10 owed to the
18 Department.

19 10. The above named Respondents did not respond to any of the notices
20 for payment of the \$1,528.05 invoice.

21 11. To date, the above named Respondents still owe the \$1,528.08
22 examination fee for the 1.83 day examination and the \$14.10 UPS
23 charge.

24 **II. ISSUES OF LAW**

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

- 1 1. The Department realleges the above stated facts in Paragraphs 1
2 through 11 as fully set forth herein.
- 3 2. The Department has jurisdiction over the licensing and regulation
4 of persons engaged in mortgage banker or broker activities
5 pursuant to NH RSA 397-A:2 and RSA 397-A:3.
- 6 3. RSA 397-A:12,V provides that the expense of such examination shall
7 be chargeable to and paid by the licensee. Each of the above
8 named Respondents violated this provision on at least one occasion
9 as alleged above. To date, the above named Respondents have
10 failed to pay the \$1,528.05 examination invoice and UPS charge of
11 \$14.10.
- 12 4. RSA 397-A:17,I provides in part that the Commissioner may by
13 order, upon due notice and opportunity for hearing, assess
14 penalties or deny, suspend, or revoke a license or application if
15 it is in the public interest and the applicant, respondent, or
16 licensee, any partner, officer, member, or director, any person
17 occupying a similar status or performing similar functions, or any
18 person directly or indirectly controlling the applicant,
19 respondent, or licensee: (a) has violated any provision of RSA
20 Chapter 397-A or rules thereunder, or (b) has not met the
21 standards established in RSA Chapter 397-A.
- 22 5. RSA 397-A:18,I provides that the Department may issue a complaint
23 setting forth charges whenever the Department is of the opinion
24 that the licensee or person over whom the Department has
25 jurisdiction, has violated any provision of RSA Chapter 397-A or

1 orders thereunder.

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

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

