

1 State of New Hampshire Banking Department

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3 In re the Matter of: ) Case No.: 06-118  
) )  
4 State of New Hampshire Banking ) Order To Show Cause  
) )  
5 Department, ) )  
) )  
6 Petitioner, ) )  
) )  
7 and ) )  
) )  
8 Lighthouse Mortgage Company, Ltd., ) )  
) )  
9 Respondent ) )  
) )

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11 NOTICE OF ORDER

12 This Order commences an adjudicative proceeding under the provisions of  
13 RSA 541A:31, RSA 397-A, and BAN 204.03.

14 LEGAL AUTHORITY AND JURISDICTION

15 Pursuant to RSA 397-A:17, the Commissioner of the New Hampshire Banking  
16 Department (hereinafter "the Department") may issue an Order to Show Cause  
17 why a license should not be revoked. RSA 397-A:17 states that the  
18 Department may issue such Order when a licensee engages in an unethical  
19 business practice. RSA 397-A:21 states the Commissioner may impose penalties  
20 of up to \$2,500 per violation of the chapter.

21 Pursuant to RSA 383:10-d the Commissioner may enforce the New Hampshire  
22 Consumer Protection Act, RSA 358-A against all licensees. The Commissioner  
23 may utilize all remedies available under the Act.

24 NOTICE OF RIGHT TO REQUEST A HEARING

25 The above named respondent has the right to request a hearing on this  
Order to Show Cause, as well as the right to be represented by counsel. Any  
such request for a hearing shall be in writing, and signed by the respondent

1 or by the duly authorized agent of the above named respondent, and shall be  
2 delivered either by hand or certified mail, return receipt request, to the  
3 Banking Department, State of New Hampshire, 64B Old Suncook Road, Concord, NH  
4 03301.

5 If respondent fails to request a hearing or respond to the show cause  
6 order within 30 calendar days of receipt of this order, respondent shall be  
7 deemed in default, and the penalties requested will be imposed.

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

9 The Staff Petition dated November 17, 2006 (a copy of which is attached  
10 hereto) are incorporated by reference hereto.

11 **ORDER**

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

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

17 It is hereby ORDERED, that:

- 18 1. The Respondent shall show cause why penalties in the amount of  
19 \$2,500.00 should not be imposed for violation of 397-A; and
- 20 2. The Respondent shall show cause why an administrative fine in  
21 the amount of \$2,500.00 should not be imposed for violation of  
22 RSA 397-A:13 I-a; and
- 23 3. The Respondent shall show cause why its license should not be  
24 revoked; and
- 25 4. Failure to request a hearing within 30 days of the date of  
receipt of this Order shall result in a default judgment being  
rendered and administrative penalties being imposed upon the  
defaulting Respondent.

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SIGNED,

Dated: 11/17/06

                                  
/s/  
PETER C. HILDRETH  
BANK COMMISSIONER

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 06-118  
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4 State of New Hampshire Banking ) Staff Petition  
5 Department, )  
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STATEMENT OF ALLEGATIONS

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

- 1. Lighthouse Mortgage Company, Ltd. (hereinafter Respondent) was licensed as a mortgage broker and surrendered said license in 2005.
- 2. Respondent's principal office was located at 384 Lowell St., Wakefield, MA 01880.
- 3. Respondent failed to file an annual report for 2005. Reminder letters were sent to the company on January 5, 2006, February 8, 2006, and March 3, 2006.
- 4. It has been more than 100 days since the report was due.
- 5. Respondent has failed to file the report or respond to the letters sent by the department.

II. The staff of the Banking Department, State of New Hampshire alleges the following issues of law:

- 1 1. The Banking Department ("Department"), has jurisdiction over the  
2 licensing and regulation of persons engaged in first mortgage banker /  
3 broker activities pursuant to NH RSA 397-A:3.
- 4 2. Pursuant to the New Hampshire Banking laws, RSA 397-A:13, each licensee  
5 shall file an annual report by February 1 each year concerning  
6 operation for the preceeding year.
- 7 3. Pursuant to NH RSA 397-A:13 IV, a penalty of \$25 per day accrues up to  
8 a maximum of \$2500.00.
- 9 4. RSA 397-A:21 IV provides that any person who, either knowingly or  
10 negligently, violates any provision of RSA 397-A, may upon hearing, and  
11 in addition to any other penalty provided for by law, be subject to  
12 suspension, revocation, or denial of any registration or license, or an  
13 administrative fine not to exceed \$2,500, or both. Each of the acts  
14 specified shall constitute a separate violation, and such  
15 administrative action or fine may be imposed in addition to any  
16 criminal penalties or civil liabilities imposed by New Hampshire  
17 banking laws. Respondent is subject to revocation and/or  
18 administrative fines for violations of RSA 397-A:13.

**RELIEF REQUESTED**

18 The staff of the Banking Department requests the Commissioner take the  
19 following action:

- 20 1. Find as fact the allegations contained in section I of the Statement of  
21 Allegations of this petition.
- 22 2. Make conclusions of law relative to the allegations contained in section  
23 II of the Statement of Allegations of this petition.
- 24 3. Assess fines and administrative penalties in accordance RSA 397-A:21, for  
25 violations of the New Hampshire Banking Laws, RSA 397-13, in the number  
and amount equal to the violations set forth in section II of the

1 Statement of Allegations of this petition. Respondent is subject to an  
2 administrative penalty of \$2,500 for violating RSA 397-A:13 in addition  
3 to the \$2,500 statutory fine, by its failure to submit an annual report.

4 4. Order Respondent to show cause why their license should not be revoked  
5 for failure to file an annual report and failure to respond to  
6 department inquiries.

7 5. Take such other administrative and legal actions as are necessary for  
8 enforcement of the New Hampshire Banking laws, the protection of New  
9 Hampshire citizens, and to provide other equitable relief.

10 **RIGHT TO AMEND**

11 The Department reserves the right to amend this Petition for Relief and  
12 to request that the Banking Department Commissioner take additional  
13 administrative action. Nothing herein shall preclude the Department from  
14 bringing additional enforcement action under RSA 397-A or the regulations  
15 thereunder.

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17 Respectfully submitted by:

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20 /s/ 11/17/06  
James Shepard Date  
Staff Attorney