

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 07-033  
 )  
 3 State of New Hampshire Banking ) Order to Show Cause  
 )  
 4 Department, )  
 )  
 5 Petitioner, )  
 )  
 6 and )  
 )  
 7 Honey Mae, Inc., )  
 )  
 8 Respondent )  
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10 NOTICE OF ORDER

11 This Order commences an adjudicative proceeding under the provisions of  
12 RSA 397-A, RSA 541-A and BAN 200.

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

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

21 NOTICE OF RIGHT TO REQUEST A HEARING

22 The above named respondent has the right to request a hearing on this  
23 Order to Show Cause, as well as the right to be represented by counsel at the  
24 Respondent's own expense. All hearings shall comply with RSA 541-A. Any such  
25 request for a hearing shall be in writing, and signed by the respondent or  
the duly authorized agent of the above named respondent, and shall be  
delivered either by hand or certified mail, return receipt requested, to the

1 Banking Department, State of New Hampshire, 64B Old Suncook Road, Concord, NH  
2 03301. Such hearings will be scheduled within 10 days of the request. If the  
3 Respondent fails to appear at the hearing after being duly notified, such  
4 person shall be deemed in default, and the proceeding may be determined against  
5 the Respondent upon consideration of the Order to Show Cause, the allegations  
6 of which may be deemed to be true. Respondents are entitled to at least 30  
7 days' notice regarding the opportunity for hearing.

8 If the Respondent fails to request a hearing within 30 calendar days of  
9 receipt of such order or reach formal settlement with the Department within  
10 that time frame, then such person shall likewise be deemed in default, and the  
11 orders shall, on the thirty-first day, become permanent, and shall remain in  
12 full force and effect until and unless later modified or vacated by the  
13 commissioner, for good cause shown.

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

15 The Staff Petition dated April 27, 2007 (a copy of which is attached  
16 hereto) is incorporated by reference hereto.

17 **ORDER**

18 WHEREAS, finding it necessary and appropriate and in the public  
19 interest, and consistent with the intent and purposes of the New Hampshire  
20 banking laws, and

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

23 It is hereby ORDERED, that the Respondent shall show cause why:

24 1. Administrative penalties of \$2,500.00 should not be imposed;

25 and

2. Respondents license should not be revoked; and

It is hereby ORDERED that:

3. Respondent shall pay the overdue examination fees of \$1,100.00

immediately; and

1 4. Failure to request a hearing within 30 days of the date of  
2 receipt of this Order shall result in a default judgment being  
3 rendered, license revocation and administrative penalties  
4 imposed upon the defaulting Respondent.

5 SIGNED,

6  
7 Dated: 4/27/07

8 /s/  
9 PETER C. HILDRETH  
10 BANK COMMISSIONER  
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1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 07-033  
 )  
 3 State of New Hampshire Banking ) Staff Petition  
 )  
 4 Department, )  
 )  
 5 Petitioner, ) April 27, 2007  
 )  
 6 and )  
 )  
 7 Honey Mae, Inc., )  
 )  
 8 Respondent )  
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10 STATEMENT OF ALLEGATIONS

11 I. The Staff of the Banking Department, State of New Hampshire  
 12 (hereinafter referred to as the "Department) alleges the following  
 13 facts:  
 14 1. On or about May 11, 2006 the Department began conducting an  
 15 examination of Honey Mae, Inc. (hereinafter "Respondent").  
 16 2. Respondent is licensed as a Mortgage Banker and at all times  
 17 relevant to this action has held a Department license since at  
 18 least 2004.  
 19 3. The Department sent an invoice for the cost of the exam in the  
 20 amount of \$1,100.00 to the Respondent via Certified Mail on July  
 21 21, 2006. The Respondent received and signed for the mail piece  
 22 on or about July 25, 2006.  
 23 4. A second invoice was sent to the Respondent on August 29, 2006.  
 24 5. A third invoice was sent to the Respondent on October 10, 2006.  
 25 6. A reminder letter demanding payment and warning of impending  
 license action if the fee was not paid was sent by this petitioner

1 on March 1, 2007 by certified mail and received by the Respondent  
2 on March 8, 2007.

3 7. The Respondent has not responded in any way to the payment demand.

4 8. To date, the Respondent has not paid the outstanding invoice.

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6 **ISSUES OF LAW**

7 II. The staff of the Department, alleges the following issues of law:

8 1. The Department realleges the above stated facts in paragraphs 1  
9 through 8.

10 2. The Department has jurisdiction over the licensing and  
11 regulation of persons engaged in mortgage banker activities  
12 pursuant to NH RSA 397-A:3.

13 3. Pursuant to New Hampshire Banking law, RSA 397-A:12 the  
14 Department may examine the business affairs of any licensee or  
15 any other person, whether licensed or not, as it deems necessary  
16 to determine compliance with this Chapter and the rules adopted  
17 pursuant to it and with the Consumer Credit Protection Act, as  
18 amended (15 U.S.C. 1601 et seq.). In determining compliance,  
19 the Department may examine the books, accounts, records, files,  
20 and other documents or matters of any licensee or person. RSA  
21 397-A:12 further requires every person being examined, and all  
22 of the officers, directors, employees, agents, and  
23 representatives of such person shall make freely available to  
24 the commissioner or his examiners, the accounts, records,  
25 documents, files, information, assets, and matters in their  
possession or control relating to the subject of the examination

1 and shall facilitate the examination. RSA 397-A:12 V further  
2 provides that licensees are to pay the costs of said  
3 examinations. Respondent violated this section of the Chapter by  
4 failing to pay the examination invoice.

- 5 4. RSA 397-A:21 IV provides that any person who, either knowingly  
6 or negligently, violates any provision of Chapter 397-A, may  
7 upon notice and opportunity for hearing, and in addition to any  
8 other penalty provided for by law, be subject to an  
9 administrative fine not to exceed \$2,500, or both. Each of the  
10 acts specified shall constitute a separate violation, and such  
11 administrative action or fine may be imposed in addition to any  
12 criminal penalties or civil liabilities imposed by New Hampshire  
13 Banking laws.

14 **RELIEF REQUESTED**

15 III. The staff of the Department requests the Commissioner take the  
16 following Action:

- 17 1. Find as fact the allegations contained in section I of this  
18 petition;
- 19 2. Make conclusions of law relative to the allegations contained  
20 in section II of the this petition;
- 21 3. Order Respondent to Show Cause why its license should not be  
22 revoked;
- 23 4. Assess fines and administrative penalties in accordance with  
24 RSA 397-A:21, for violations of Chapter 397-A, in the number  
25 and amount equal to the violations set forth in section II of  
this petition; and

