

1 State of New Hampshire Banking Department

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3 In re the Matter of: ) Case No.: No. 07-054  
 )  
 4 New Hampshire Banking Department, ) Order for Default Judgment  
 )  
 5 Petitioner, )  
 )  
 6 and )  
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 7 Team Mortgage LLC, and Joseph Davey, )  
 )  
 8 Respondents )  
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11 Default Judgment

12 PROCEDURAL CASE HISTORY

13 The Bank Commissioner issued an Order to Show Cause on or about April  
 14 7, 2007, which incorporates the April 4, 2007 Staff Petition issued by New  
 15 Hampshire Banking Department Staff Attorney James Shepard. The Respondents  
 16 were later served with an Amended Order on or about April 17, 2007. Both  
 17 Respondents requested a hearing. The Bank Commissioner issued the Notice of  
 18 Hearing - Order to Show Cause "Notice of Hearing") against both Respondents  
 19 on May 21, 2007.

20 The adjudicative hearing began December 11, 2007 at the New Hampshire  
 21 Banking Department, located at 64B Old Suncook Road, Concord, New Hampshire  
 22 03301 and continued for several days (over the following three months)  
 23 thereafter. At the conclusion of the January 29, 2008 hearing, all parties  
 24 and the Presiding Officer set the subsequent hearing date for February 11,  
 25 2008. The Presiding Officer granted a joint motion to continue until March  
 11, 2008.

1 Both Respondent Team Mortgage LLC and Respondent Joseph Davey  
2 (collectively, "the Defaulting Respondents") failed to appear in person or by  
3 representative at the March 11, 2008 adjudicative proceeding.

4 **APPLICABLE RULE OF ADJUDICATORY PROCEEDINGS**

5 Failure of a licensee to appear in person or by representative at the  
6 adjudicative proceeding shall constitute a default. *New Hampshire*  
7 *Administrative Rule BAN 204.14(a)*.

8 Further, *New Hampshire Administrative Rule BAN 204.14 (b)* provides:

9 (b) A default for failure to appear shall constitute:

- 10 (1) A waiver of the licensee's right to an adjudicative  
11 proceeding;  
12 (2) Admission of the facts alleged; and  
13 (3) Consent to the department's determination on the  
14 matter.

15 **FINAL ORDER**

16 It is hereby ORDERED, that:

- 17 1. By operation of law, a Default Judgment was entered against both  
18 Respondent Team Mortgage LLC and Respondent Joseph Davey on March 11,  
19 2008;  
20 2. By operation of law, Defaulting Respondents have waived their rights to  
21 complete this adjudicative proceeding;  
22 3. By operation of law, the default during this adjudicative proceeding  
23 shall constitute an admission of the facts alleged in the Order to Show  
24 Cause dated April 7, 2007, the Amended Order to Show Cause dated April  
25 17, 2007 and herein incorporate by reference an admission of the  
a. illegal co-brokering;  
b. Failure to maintain security policy;

- c. failure to protect consumer information;
- d. failure to maintain records to enable compliance determination;
- and
- e. dishonest or unethical practices.

4. By operation of law, the Defaulting Respondents hereby consent to the New Hampshire Banking Department's determination on the matter as follows:

a. Petitioner's Proposed Findings of Fact dated March 20, 2008 are hereby adopted;

b. Petitioner's Proposed Rulings of Law dated March 20, 2008 are hereby adopted, which include as follow:

1. Defaulting Respondents violated RSA 397-A:17 I(c) sixty-five (65) times by conducting unlicensed mortgage bank/broker activities in New Hampshire through an unlicensed entity;

2. Defaulting Respondents violated 16 C.F.R. Section 314.3, and therefore RSA 397-A:17 I(1), by failing to maintain a written comprehensive security policy;

3. Defaulting Respondents violated 16 C.F.R. Section 314.3, and therefore RSA 397-A:17 I(1) on ten occasions by failing to maintain the integrity of nonpublic personal information;

4. Defaulting Respondents violated RSA 397-A:11 on forty-four (44) occasions by not maintaining such records as would allow the New Hampshire Banking Department to determine compliance with the Chapter and the rules adopted;

5. Defaulting Respondents have violated RSA 397-A:17 I(k) twelve (12) times by engaging in unethical business practices;

c. Defaulting Respondents' license of Team Mortgage LLC is hereby revoked;

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- d. Defaulting Respondent Team Mortgage LLC shall hereby pay an administrative fine of \$2,500 for each aforementioned violation, totaling \$330,000.
- e. Defaulting Respondent Joseph Davey shall hereby pay an administrative fine of \$2,500 for each aforementioned violation, totaling \$330,000.
- f. Both Defaulting Respondents are hereby jointly and severally liable for all aforementioned violations.
- g. Therefore, each Defaulting Respondent is jointly and severally liable for a total fine of \$660,000 to be paid within sixty days from the date of this Order, unless an agreement is reached between the New Hampshire Banking Department and Respondents for a later time.

SIGNED,

Dated: 3/26/08

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 /SRAF/  
 PETER C. HILDRETH  
 BANK COMMISSIONER