

1 State of New Hampshire Banking Department

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3 In re the Matter of:) Case No.: No. 08-370
)
 4 New Hampshire Banking Department,) Order for Default Judgment
)
 5 Petitioner,)
)
 6 and)
)
 7 Allied Capital Mortgage Company (d/b/a)
)
 8 Allied Capital Mortgage Company of)
)
 9 Baymeadows), Douglas E. Klezmer, Sean)
)
 10 H. Belghazi, and Kristopher Michael)
)
 11 Lyle)
)
 12 Respondents)

13
14 Default Judgment

15 **PROCEDURAL CASE HISTORY**

16 The Bank Commissioner issued an Order to Show Cause on or about August
 17 22, 2008, which incorporates the August 22, 2008 Staff Petition issued by New
 18 Hampshire Banking Department Staff Attorney Maryam Torben Desfosses. The
 19 Bank Commissioner issued the Notice of Hearing - Order to Show Cause with
 20 Immediate Suspension and Cease and Desist Order ("Notice of Hearing") against
 21 Respondents on August 22, 2008 for a September 8, 2008 hearing date.

22 Respondents Allied Capital Mortgage Company (d/b/a Allied Capital
 23 Mortgage Company of Baymeadows), Douglas E. Klezmer, Sean H. Belghazi, and
 24 Kristopher Michael Lyle (collectively, "the Defaulting Respondents") failed
 25 to appear in person or by representative at the September 8, 2008
 adjudicative proceeding.

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3 **APPLICABLE RULE OF ADJUDICATORY PROCEEDINGS**

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

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

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

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

13 **FINAL ORDER**

14 It is hereby ORDERED, that:

- 15 1. By operation of law, a Default Judgment was entered against Respondents
16 Allied Capital Mortgage Company (d/b/a Allied Capital Mortgage Company
17 of Baymeadows), Douglas E. Klezmer, Sean H. Belghazi, and Kristopher
18 Michael Lyle on September 8, 2008;
- 19 2. By operation of law, Defaulting Respondents have waived their rights to
complete this adjudicative proceeding;
- 20 3. By operation of law, the default during this adjudicative proceeding
21 shall constitute an admission of the facts alleged in the Order to Show
22 Cause dated August 22, 2008 and herein incorporate by reference an
23 admission of the allegations contained in the August 22, 2008 Staff
24 Petition, including:
25 a. Violation of RSA 397-A:5, III (c) Failure to Post Continuous
Surety Bond (1 Count)

1 b. Violation of RSA 397-A:10, IV Failure to Update Information on
2 File with Commissioner (3 Counts)

3 c. Violation of RSA 397-A:10, III Failure to Inform Bank
4 Commissioner of Office Closure (1 Count)

5 d. Violation of RSA 397-A:10-a I (a) Failure to Properly
6 Surrender License (1 Count)

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

10 a. Defaulting Respondents' license of Allied Capital Mortgage
11 Company is hereby revoked;

12 b. Defaulting Respondent Allied Capital Mortgage Company shall
13 hereby pay an administrative penalty of \$15,000 for the
14 aforementioned violations of New Hampshire banking law.

15 c. Defaulting Respondent Douglas E. Klezmer shall hereby pay an
16 administrative penalty of \$15,000 for the aforementioned
17 violations of New Hampshire banking law.

18 d. Defaulting Respondent Sean H. Belghazi shall hereby pay an
19 administrative penalty of \$15,000 for the aforementioned
20 violations of New Hampshire banking law.

21 e. Defaulting Respondent Kristopher Michael Lyle shall hereby pay an
22 administrative penalty of \$15,000 for the aforementioned
23 violations of New Hampshire banking law.

24 f. Defaulting Respondents are hereby jointly and severally liable
25 for all above aforementioned violations.

g. Therefore, each Defaulting Respondent is jointly and severally
liable for a total administrative penalty of \$60,000 to be paid
within sixty days from the date of this Order, unless an

