

1 State of New Hampshire Banking Department

2	In re the Matter of:)	Case No.: 09-061
)	
3	State of New Hampshire Banking)	
)	Order to Show Cause
4	Department,)	
)	
5	Petitioner,)	
)	
6	and)	
)	
7	Universal Mortgage Group, LLC (d/b/a)	
)	
8	Ballard Financial), and Christopher M.)	
)	
9	Ballard,)	
)	
10	Respondents)	

11 NOTICE OF ORDER

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

14 LEGAL AUTHORITY AND JURISDICTION

15 Pursuant to RSA 397-A:17, the Banking Department of the State of New
16 Hampshire (hereinafter the "Department") has the authority to issue an order
17 to show cause why license revocation and penalties for violations of New
18 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, 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 358-A and
8 exempt under RSA 358-A:3,I or that may violate any of the provisions of
9 Titles XXXV and XXXVI and administrative rules adopted thereunder. The
10 Commissioner may hold hearings relative to such conduct and may order
11 restitution for a person or persons adversely affected by such conduct.

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

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

1 to the penalties listed in Paragraphs 1 through 2 above, the
2 \$5,042.42 examination fee should not be paid to the
3 Department;

4 4. Respondents shall be jointly and severally liable for the
5 above amounts alleged in Paragraphs 1 through 3 above;

6 5. The above named Respondents shall show cause why, in addition
7 to the penalties listed in Paragraphs 1 through 4 above,
8 Respondent Ballard Financial's license should not be revoked.

9 It is hereby further ORDERED that:

10 6. Along with the administrative penalties listed for the above
11 named Respondents, the outstanding sum of \$5,042.42 shall be
12 immediately paid; and

13 7. Failure to request a hearing within 30 days of the date of
14 receipt or valid delivery of this Order shall result in a
15 default judgment being rendered and administrative penalties
16 imposed upon the defaulting Respondent(s).

17
18 SIGNED,

19
20 Dated: 06/24/09

21 /s/
PETER C. HILDRETH
BANK COMMISSIONER

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 09-061
)
 3 State of New Hampshire Banking)
)
 4 Department,) Staff Petition
)
 5 Petitioner,) June 24, 2009
)
 6 and)
)
 7 Universal Mortgage Group, LLC (d/b/a)
)
 8 Ballard Financial), and Christopher M.)
)
 9 Ballard,)
)
 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 Universal Mortgage Group, LLC (d/b/a Ballard
16 Financial) (hereinafter "Respondent Ballard Financial") has been
17 licensed as a Mortgage Broker from at least January 1, 2005
18 (with an amended license date of April 10, 2008).
- 19 2. Respondent Christopher M. Ballard (hereinafter "Respondent
20 Ballard") is the 100% owner and President of Respondent Ballard
21 Financial.

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

- 23 3. Paragraphs 1 through 2 are hereby realleged as fully set forth
24 herein.
- 25 4. The Department conducted an examination of Respondent Ballard

1 Financial on December 24, 2007.

2 5. On October 10, 2008, the Department mailed the report of
3 examination and invoice for \$5,042.42 to Respondent Ballard
4 Financial, via U.S. Certified Mail Return Receipt requested,
5 which Respondents received on October 17, 2008.

6 6. The Respondents failed to pay the invoice of \$5,042.42 after
7 receiving the October 10, 2008 correspondence from the
8 Department.

9 7. The Department, via U.S. mail, mailed a notice on November 21,
10 2008 and a third notice on January 20, 2009.

11 8. On March 11, 2009, the Department telephoned Respondent Ballard to
12 remind him the \$5,042.42 examination is still outstanding.
13 Respondent Ballard indicated he wanted to dispute the invoice
14 amount and submitted a letter to the Department dated March 20,
15 2009 requesting a waiver or reduction in the fee amount.

16 9. The Department re-reviewed the file and concluded the fee amount
17 of \$5,042.42 was accurate.

18 10. On April 6, 2009, the Department contacted Respondent Ballard and
19 communicated to him the amount was accurate and would not be
20 waived or reduced.

21 11. To date, the above named Respondents still owe the \$5,042.42
22 examination fee for the 10 day examination.

23 **II. ISSUES OF LAW**

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

25 1. The Department realleges the above stated facts in Paragraphs 1

1 through 11 as fully set forth herein.

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

5 3. RSA 397-A:12,V provides that the expense of such examination shall
6 be chargeable to and paid by the licensee. Each of the above
7 named Respondents violated this provision on at least one
8 occasion as alleged above. To date, the above named Respondents
9 have failed to pay the \$5,042.42 examination.

10 4. RSA 397-A:17,I provides in part that the Commissioner may by
11 order, upon due notice and opportunity for hearing, assess
12 penalties or deny, suspend, or revoke a license or application if
13 it is in the public interest and the applicant, respondent, or
14 licensee, any partner, officer, member, or director, any person
15 occupying a similar status or performing similar functions, or
16 any person directly or indirectly controlling the applicant,
17 respondent, or licensee: (a) has violated any provision of RSA
18 Chapter 397-A or rules thereunder, or (b) has not met the
19 standards established in RSA Chapter 397-A.

20 5. RSA 397-A:18,I provides that the Department may issue a complaint
21 setting forth charges whenever the Department is of the opinion
22 that the licensee or person over whom the Department has
23 jurisdiction, has violated any provision of RSA 397-A or orders
24 thereunder.

25 6. RSA 397-A:21,IV provides that any person who, either knowingly or

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

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

