

IN THE MATTER OF:

MEREDIAN FINANCIAL  
CORPORATION

Respondent

\* BEFORE THE  
\* MARYLAND COMMISSIONER  
\* OF  
\* FINANCIAL REGULATION  
\* Case No. CFR-FY2011-257

\* \* \* \* \*

**FINAL ORDER**

**Statement of the Case**

The hearing on the above-captioned matter was held on September 28, 2011, and heard by the Deputy Commissioner of Financial Regulation, Anne Balcer Norton ("Deputy Commissioner"). This matter was scheduled for a hearing as a result of a Charge Letter and Notice of Hearing ("Charge Letter"), dated July 19, 2011, (Exhibit CFR 1); a Re-Notice of Hearing, dated August 23, 2011, (Exhibit CFR 2); an Amended Re-Notice of Hearing, dated August 25, 2011, (CFR 3); and a Re-Notice of Hearing, dated September 1, 2011, (Exhibit CFR 4) (collectively, the "Re-Notices"), all issued by the Office of the Commissioner of Financial Regulation (the "Commissioner") to Meredian Financial Corporation ("Respondent"), a mortgage lender licensed at times relevant to this Final Order ("Order") pursuant to Md. Code Ann., Fin. Inst. ("FI") § 11-501 *et seq.*

The Charge Letter alleges that Respondent violated FI § 11-515(c), and the Code of Maryland Regulations ("COMAR") 09.03.06.23, by failing to pay to the Commissioner fees owed to the Commissioner for a statutorily required examination conducted on the business

of Respondent (the "Examination"). The Charge Letter further states that Respondent may be subject to sanctions by the Commissioner for the alleged violations of law, including suspension or revocation of Respondent's license and civil penalties pursuant to FI § 11-517(a)(4) and (5) and FI § 2-115(b).

Respondent did not appear at the hearing, but proper service of the Charge Letter and subsequent Re-Notices being established, the hearing proceeded pursuant to COMAR 09.01.02.09. Jedd Bellman, Assistant Attorney General, appeared as presenter of evidence on behalf of the Office of the Commissioner. Teresa B. Carnell, Assistant Attorney General, served as counsel to the Deputy Commissioner. Richard Younger, Examiner Supervisor, for the Office of the Commissioner testified as a witness under oath. The proceedings were electronically recorded.

#### **Statement of Facts**

From the testimony offered by Richard Younger, the exhibits presented, and with the opportunity to observe the demeanor of the witness and to assess his credibility, the Deputy Commissioner finds the relevant facts to be these:

1. Respondent was licensed under the Maryland Mortgage Lender Law ("MMLL") (FI § 11-501 *et seq.*) during those times relevant to the examination of the business of Respondent by the Commissioner described in paragraph 3 of this Order (Exhibits CFR 5 and 6).
2. Respondent was properly served with the Charge Letter and subsequent Re-Notices, giving thirty days notice of the hearing, as evidenced by: the Charge Letter (Exhibit

CFR 1), and subsequent Re-Notices (Exhibits CFR 2, 3, and 4), the certified mail receipts (Exhibits CFR 1A, 1B, 2A, 2B, 3A, 3B, 4A and 4B), the Affidavits of Service (Exhibits CFR 1C, 2C, 3C and 4C), and the Commissioner's AS 400 computer print-out of Respondent's licensing information showing Respondent's address (Exhibit CFR 5).

3. Respondent was subject to examination by the Commissioner under FI § 11-515(a) which was conducted on February 14, 2011 (Exhibit CFR 6) and for which Respondent was charged the amount of \$500.00 for the Examination (Exhibit CFR 7).

4. Respondent has failed to pay the amount due, despite being sent:

a. An original invoice by regular U.S. mail on March 3, 2011 (Exhibit CFR 7).

b. An overdue notice by e-mail on April 3, 2011 (Exhibit CFR 8).

c. A second overdue notice by e-mail on April 18, 2011 (Exhibit CFR 9).

5. The amount due for the Examination remained unpaid as of September 27, 2011 (Exhibit CFR 11).

### **Conclusions of Law**

Based on the Findings of Fact, the Deputy Commissioner concludes that Respondent has violated FI § 11-515(c), and COMAR 09.03.06.23, by failing to pay to the Commissioner fees owed to the Commissioner for the Examination required under FI § 11-515(a). The Deputy Commissioner also concludes that Respondent is subject to sanctions under FI § 11-517(a) and (c), including the suspension or revocation of Respondent's license and a civil penalty not exceeding \$5,000 for each violation, because

Respondent: 1) violated a provision of the MMLL and a regulation adopted under it (FI § 11-517(a)(4)); and 2) otherwise demonstrated unworthiness, bad faith, dishonesty, or any other quality that indicates that the business of the licensee has not been or will not be conducted honestly, fairly, equitably, and efficiently (FI § 11-517(a)(5)). Moreover, the Commissioner has authority under FI § 2-115(b) to suspend or revoke Respondent's license, or to impose a civil penalty up to the permissible amount.

### **Final Order**

In consideration of the foregoing Findings of Fact and Conclusions of Law, it is **ORDERED** by the Deputy Commissioner that:

1) Respondent's Mortgage Lenders License is **REVOKED**; and it is further

**ORDERED** that:

2) Respondent shall immediately pay to the Commissioner the past-due

Examination Fee of \$500.00 by delivering the payment to:

The Commissioner of Financial Regulation  
500 North Calvert Street, Suite 402  
Baltimore, Maryland 21202  
Attn: Carmen Rivera

3) The records and publications of the Office of the Commissioner of Financial Regulation reflect this decision.

**RESPONDENT IS ADVISED:** Pursuant to State Govt. Art., Section 10-222, any party who is aggrieved by the Commissioner's decision, may file a petition for judicial review with the Circuit Court for the county where any party resides or has a principal

place of business. Such petition must be filed within 30 days after Applicant's receipt of this Order (Md. Rule 7-203). The filing of a petition for judicial review does not automatically stay the enforcement of the Final Order.

**COMMISSIONER OF FINANCIAL REGULATION**

10/27/11  
Date

By:   
Anne BalcerNorton, Deputy Commissioner