

STATE OF MARYLAND
OFFICE OF THE COMMISSIONER OF FINANCIAL
REGULATION

DEPARTMENT OF LABOR, LICENSING AND REGULATION
500 N. CALVERT STREET
BALTIMORE, MARYLAND 21202

ANNUAL REPORT
FOR FISCAL YEAR ENDING
JUNE 30, 2013



Presented to:

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OFFICE OF STATE BANK COMMISSIONER established 1910
OFFICE OF COMMISSIONER OF CONSUMER CREDIT established 1941
Reorganized in 1996 as the OFFICE OF THE COMMISSIONER OF FINANCIAL REGULATION

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HIGHLIGHTS OF THE OFFICE – FISCAL YEAR 2013

During FY 2013, DLLR's Office of the Commissioner of Financial Regulation ("the Office" or "OCFR") continued to protect Maryland consumers, to promote a safe and healthy financial services system and to play a central role in Maryland's effort to combat the financial and foreclosure crises on multiple fronts.

- **Fighting Foreclosure, Protecting Consumers:** In partnership with DHCD, OCFR led the state's response to the foreclosure crisis including, among other things, implementing foreclosure reforms and delivering outreach to over 125,000 borrowers in Maryland facing mortgage difficulty in FY13. OCFR also implemented a foreclosed property registry which went "live" in November 2012. This registry tracks the owners of foreclosed properties during the period prior to recordation of the deed in order to assist local government maintain these properties and avoid neighborhood decay. From October 2012 thru January 2014, over 14,300 properties have been registered. OCFR enforcement has also taken a lead role in combatting mortgage rescue scams, undertaking numerous enforcement actions against those charging illegal up-front fees to consumers in exchange for promises of help getting a loan modification.
- **Leadership in Multistate Servicing Reform** – OCFR has continued to play a critical role in servicing issues and particularly the multi-state servicing settlement. OCFR served on the negotiation team with AGs from around the nation that led a review of "robo-signing" and related issues in foreclosure that culminated in a nationwide \$25 billion settlement. Following approval of the settlement, OCFR has served on the multistate Monitoring Committee representing Maryland and all state bank regulators in conjunction with Attorneys General from around the nation to ensure compliance with the terms of the settlement. The settlement has generated over \$1.3 billion in relief for Maryland borrowers (equal to the amount in Virginia and Pennsylvania combined) and a fine of approximately \$60 million, 90% of which was devoted to foreclosure relief.
- **Promote a safe and successful state chartered bank and credit union industry.** During fiscal year 2013, the OCFR continued to support a safe and sound banking system. In addition to its ongoing supervisory efforts, OCFR continued to assist with applications for a wide variety of transactions, ranging from the conversion of Fairmount bank from a federal savings bank to a state chartered commercial bank, the conversion of HAR-CO Federal Credit Union to state credit union charter and the acquisition by Municipal Employees Credit Union (MECU) of the assets and deposits of Advance Bank, a federally chartered mutual savings bank.
- **Innovative Online Payday Lending Initiative** - OCFR has aggressively targeted illegal online payday lending. Despite longstanding licensing requirements and interest rate limits for consumer lending that are intended to protect Marylanders, online lenders continue to evade state law with loans at interest rates that are well above 100% per year. The loans are marketed as short term cash advances, but the average online payday loan ends up being a five month loan in which the consumer pays \$520 in interest and fees on a \$375 loan. OCFR launched an initiative in FY13 to identify banks that process the funding and payment on behalf of the illegal lender and refer these institutions to their relevant state or federal regulator. The effort has gained national attention and has been joined by other state banking offices. At the same time the Department of Justice recently announced an investigation and settlement with one institution identified and the federal government is working to combat these activities.
- **Aggressive Enforcement for Consumers** – OCFR has focused on (1) foreclosure related scams and (2) collections abuses. Actions targeting mortgage and foreclosure fraud have in hundreds of thousands in recoveries, scores of cease and desist orders and several criminal prosecutions. Maryland was a "top 5" state in mortgage fraud at the outset of the administration and is no longer cited in this area. Actions in the collections have led to thousands of collection judgments being vacated and legal actions withdrawn, resulting in more than \$10 million in vacated claims against Maryland consumers. They have also led to a fulsome reform of the court rules for such actions.

LEGISLATIVE HIGHLIGHTS SUMMARY

Amy K. Mataban, Assistant Attorney General, Counsel to the Commissioner
Sandy Small, Assistant Attorney General, Counsel to the Commissioner

HB225 Chapter 155 – Service Members, Veterans, And Military Spouses – Licensing – Created new FI 11-612.2 to expedite the renewal or change of status of a mortgage loan originator license for a service member, veteran, or military spouse, as defined in the subtitle, by requiring the Commissioner to waive, as applicable, the State criminal records check; and permit the Commissioner to waive or suspend any other licensing requirements to the extent that the waiver or suspension does not result in the failure to meet the minimum licensing standards set forth in 12 U.S.C. Chapter 51 and the regulations adopted under it. The same expedited process is provided for in cases where the service member, veteran, or military spouse holds a valid mortgage loan originator license in another state. This law is effective July 1, 2013.

SB199 Chapter 205 – Mortgages and Deeds of Trust - Priority of refinance mortgage over junior liens is added to the statute. The Act generally provides that a refinance mortgage that meets specified criteria shall have, upon recordation, the same lien priority as the first mortgage or deed of trust that the refinance mortgage replaces. This provides important assistance for homeowners attempting to refinance their first mortgages at a lower interest rate by eliminating the need to obtain the consent of a currently subordinate mortgage lender. This law is effective October 1, 2013.

SB273 Chapter 154 - Mortgage Originators - Expedited licensing of service member, veteran or military spouse is added to the statute. Generally to expedite the renewal or change of status of a license for a service member, veteran or military spouse, the Commissioner is authorized to waive the State criminal history records check, and may waive or suspend any other licensing requirements to the extent it does not result in the failure to meet minimum licensing standards set forth in 12 U.S.C. Chapter 51 and regulations adopted under it. The same waivers and suspension of requirements are authorized to expedite the issuance of a license to a service member, veteran or military spouse who holds a valid mortgage loan originator license in another state. This law is effective July 1, 2013.

SB383 Chapter 464 – The Maryland Mortgage Assistance Relief Services Act – This law requires a mortgage assistance relief service provider providing mortgage assistance relief services (i.e. short-sales, loan modification services or other related assistance), in connection with a dwelling in the State to comply with specified federal regulations. Generally, the Act prohibits up-front fees, false and misleading advertising or promises and mandates certain disclosures. Authorizes the Commissioner, the Attorney General and State’s Attorneys specified investigatory and enforcement authority over violations of the Act. Violation of the Act is an unfair or deceptive trade practice under the Maryland Consumer Protection Act (“MCPA”), and subject to MCPA’s civil and criminal penalty provisions. It also establishes a private right of action for damages incurred as the result of a violation of the Act. There is an exemption for attorneys whose practices meet specific criteria. This law is effective July 1, 2013.

SB897 Chapter 329 – Consumer Credit Reporting Agencies – The security freeze for consumer records of foster children was a new law added to the statute requiring the Department of Human Resources to request a security freeze on the consumer report or a specified record of specified protected consumers who are minor children in the custody of a local department of social services who have been placed in a foster care setting in accordance with specified application procedures; requiring a consumer reporting agency to place a security freeze for a protected consumer under specified circumstances and within a specified period of time is effective October 1, 2013.

DEPOSITORY SUPERVISION

Banks, Credit Unions and Trust Companies Annual Overview **Teresa M. Louro, Assistant Commissioner - Bank Supervision**

OCFR supervises 60 institutions, which includes 45 Maryland state chartered banks, eight credit unions, and five non-depository trust companies, as well as Anne Arundel Economic Development Corporation, and American Share Insurance Corporation (“ASI”) of Dublin, Ohio, a private provider of deposit insurance to credit unions.

Banks

Maryland’s banking industry continues to be strong, and has experienced overall stabilization and improvement after the financial and economic turmoil of the past few years, while still adapting to an evolving economic, competitive and regulatory climate. Though challenges remain, more in some counties than others, the state chartered banking system continues to grow and be profitable on an aggregate basis, and plays a vital role in the economy, particularly in terms of lending to small businesses and community banking.

Regionally, the majority of state chartered banks along Interstate 95, especially in Howard and Montgomery Counties, have fared better, while other regions continue to struggle with nonperforming assets. Although the banks have identified and worked through problem credits, with nonperforming assets to total assets improving to 2.15% from 2.96% in 2012, workout strategies continued to drain resources and incur expense.

Overall, state chartered banks continued to grow and thrive, while operating conservatively and profitably. During Fiscal Year (“FY”) 2013, total assets of state chartered banks grew by approximately \$207 million to \$25.1 billion, even with the loss of BankAnnapolis based in Anne Arundel County and Carrollton Bank based in Howard County through acquisitions by an out-of-state bank and a local thrift, respectively. These losses were offset by Old Line Bank acquiring The Washington Savings Bank Federal Savings Bank of approximately \$332 million in total assets. Return on assets (“ROA”) continued to improve over fiscal year 2012 of 0.59% to 0.76% in FY 2013. Although improving, ROA still remains below historical norms as banks continue to devote focus and resources to enhancing risk management practices and loan workout capabilities. Non-current loans as a percentage of total loans continued to improve in fiscal year 2013 to 2.15% from 2.96% in the prior year. The state chartered system has also continued to enhance its capital position, ensuring safety and soundness and positioning banks for future growth. For yet another year, all capital ratios for state chartered banks improved, with tier 1 leverage at 9.67%, tier 1 risk based at 12.70%, and total risk-based at 14.05%.

Safety and soundness examinations continue to be full scope, focusing heavily on asset quality, including investment portfolios, capital, earnings, liquidity and risk management practices. Given the stabilization and improvement in the industry, the Office terminated a formal enforcement action to address weaknesses and regulatory concerns, with similar actions expected in the next fiscal year. Enhanced regulatory supervision and oversight include: weekly, bi-weekly, or monthly teleconference calls held with institutions; visitations and targeted examinations conducted between scheduled examinations to evaluate and assess compliance with enforcement actions and/or concerns detected during off-site monitoring practices. Examination cycles have been reduced to 12 months versus 18 months when warranted or more frequent if deemed necessary.

Looking ahead, the state chartered banks will continue to face a challenging environment. Compliance requirements are changing and increasing with the Dodd Frank Act, the Qualified Mortgage Rule, and Basel III capital requirements. Monitoring and adapting to new requirements are increasing cost and demanding significant management attention. OCFR is committed to assisting banks in this transition. The Commissioner and Assistant Commissioner for Bank Supervision maintain an active dialogue with bank

management teams throughout the state and seek outreach opportunities to facilitate communication.

Credit Unions

OCFR supervises eight Maryland state-chartered credit unions, as well as ASI, a private provider of deposit insurance. Of the eight credit unions, six are federally insured through the National Credit Union Share Insurance Fund, and the remaining two are insured by ASI. Each credit union receives an annual on-site examination, supplemented by a quarterly monitoring program. Targeted visitations are also performed, as deemed necessary.

The credit union industry remains sound. As in the case of state chartered banks, the current economic environment continues to have an impact on credit union trends. Delinquency decreased slightly to a weighted average ratio of 1.94% as of June 30, 2013. During the same period, average charge-offs decreased from 0.43% to a weighted average ratio of 0.30% as the credit unions worked with delinquent borrowers. The credit quality of loans will continue to be closely monitored during the current soft real estate market and on-going economic recession.

Overall, loan growth increased 7.7%, while assets under supervision increased by approximately \$243 million to \$4.8 billion, or by 5.3%. Net worth represents 10.02% of total assets. While the net interest margins remain low, credit unions, as a group, continue to operate profitably, as reflected in an annualized ROA of 0.09%.

Non-Depository Trust Companies

The number of Maryland state-chartered non-depository trust companies was reduced by one since FY 2012, with Old Mutual Asset Management Trust Company (“Old Mutual”) self-liquidating in April 2013. Also, OCFR is processing an application for a non-depository trust company to be acquired by an out-of-state organization and that approve is expected in early FY2014.

Safety and soundness examinations continue to be full scope focusing on asset management, earnings, capital, management, operations, internal controls and audit, and compliance. Overall, the state’s non-depository trust companies had a good year with the recovery in the public stock, bond and real estate markets, combined with additional asset gathering resulted in a significant rebound in performance in FY 2013. Total assets-under-management (“AUM”) increased from \$215 billion in 2012 to \$242 billion in FY 2013; even with Old Mutual self-liquidating, overall AUM grew by \$27.6 billion dollars. Our trust companies continue to monitor volatility and economic conditions in the United States and global stock markets, and manage accordingly.

Consolidated Statement of Financial Condition State Chartered Banks
As of June 30, 2013 & 2012 (in thousands)

ASSETS	FY 2013	FY 2012	% Change
Cash & Balances Due From Depository Institutions:			
Non-Interest Bearing & Currency and Coin	\$385,813	\$1,686,687	-77.1%
Interest Bearing Balances	\$1,345,655	\$1,214,657	10.8%
Securities	\$4,261,162	\$4,128,600	3.2%
Federal Funds Sold and Securities Purchased Under Agreements to Sell	\$121,364	\$274,564	-55.8%
Loans and Leases, Net of Unearned Income	\$17,284,470	\$17,115,264	1.0%
Allowance for Loan and Lease Losses)	(\$256,885)	(\$282,823)	-9.2%
Premises and Fixed Assets (including capitalized leases)	\$356,440	\$358,876	-0.7%
Other Real Estate Owned	\$151,685	\$183,149	-17.2%
Intangible Assets	\$282,562	\$270,061	4.6%
Other Assets	\$896,143	\$860,962	4.1%
Total Assets	\$25,085,294	\$24,878,161	0.8%

LIABILITIES

Deposits:			
In Domestic Offices	\$20,630,717	\$20,394,192	1.2%
Federal Funds Purchased & Securities Sold Under Repurchase Agreements	\$349,397	\$424,412	-17.7%
Subordinated Debt	\$35,000	\$35,000	0.0%
Other Borrowed Money	\$1,287,065	\$1,290,167	-0.2%
Other Liabilities	\$175,197	\$174,333	0.5%
Total Liabilities	\$ 22,477,376	\$22,318,104	0.7%

EQUITY CAPITAL

Perpetual Preferred Stock	\$13,126	\$13,107	0.1%
Common Stock	\$202,049	\$204,109	-1.0%
Surplus	\$1,529,491	\$1,487,607	2.8%
Undivided Profits and Capital Reserves	\$863,252	\$855,236	0.9%
Total Equity Capital	\$2,607,918	\$2,560,059	1.9%
Total Liabilities and Equity	\$25,085,294	\$24,878,163	0.8%

**Ratios from Consolidated Statements of Financial Condition
All State-Chartered Banks
For Fiscal Years 2011 — 2013**

Period Ending June 30th	FY 2013	FY 2012	FY 2011
Return on Assets	0.77%	0.61%	0.34%
Net Interest Margin	3.63%	3.73%	3.74%
Total Loans to Total Deposits	83.78%	83.92%	84.73%
Total Loans to Core Deposits	92.77%	92.82%	66.50%
Total Loans to Total Assets	68.90%	68.80%	68.83%
ALLL to Total Loans	1.49%	1.65%	1.92%
Noncurrent Loans to Total Loans	2.18%	3.01%	3.46%
Tier 1 Leverage Capital	9.67%	9.45%	9.00%
Tier 1 Risk-Based Capital	12.70%	12.32%	11.84%
Total Risk-Based Capital	14.05%	13.69%	13.31%

**Prior Period End Totals
For Fiscal Years Ending June 30th
(in thousands)**

Year	Total Assets	Total Loans	Securities	Total Deposits	Total Capital
2013	\$25,085,295	\$17,541,355	\$4,261,162	\$20,630,717	\$2,607,918
2012	\$24,878,161	\$17,398,087	\$4,128,600	\$20,394,192	\$2,560,059
2011	\$23,190,053	\$16,269,862	\$3,662,011	\$18,840,036	\$2,309,382
2010	\$23,223,680	\$16,501,297	\$3,372,087	\$18,710,253	\$2,257,096
2009	\$21,792,126	\$16,058,691	\$3,200,633	\$17,135,262	\$2,113,103
2008	\$29,381,521	\$21,881,597	\$4,415,664	\$21,813,397	\$2,728,926
2007	\$42,139,079	\$29,403,517	\$7,216,069	\$30,421,947	\$4,469,387

Trust Assets Reported by State-Chartered Trust Companies
Fiscal Year Ended June 30, 2013
(in thousands)

Full Service Trust Companies	Managed	Non-Managed	Custodial	Total
First United Bank & Trust	\$553,311	\$71,267	\$2,876	\$627,454
Sandy Spring Bank	\$827,519	\$67,972	\$50,340	\$945,831
Total Assets - Full Service	\$1,380,830	\$139,239	\$53,216	\$1,573,285

Non-Depository Trust Companies	Managed	Non-Managed	Custodial	Total
Brown Investment Advisory and Trust Co.	\$5,483,307	\$233,513	\$0	\$5,716,820
Chevy Chase Trust Company	\$3,594,675	\$12,313,017	\$3,198,453	\$19,106,145
NewTower Trust Company	\$7,116,151	\$0	\$0	\$7,116,151
Securities Finance Trust Company	\$14,563,589	\$19,139	\$0	\$14,582,728
T. Rowe Price Trust Company	\$39,391,338	\$156,476,330	\$0	\$195,867,668
Total Assets - Non-Depository	\$70,149,060	\$169,041,999	\$3,198,453	\$242,389,512

Grand Total - Full Service & Non-Dep.	\$71,529,890	\$169,181,238	\$3,251,669	\$243,962,797
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Consolidated Statement of Financial Condition – State-Chartered Credit Unions
Comparative Figures for Fiscal Year Ending June 30th
(in thousands)

ASSETS	FY 2013	FY 2012	% Change
Cash & Balances Due From Depository Institutions	\$146,891	\$182,701	-19.6%
Investments & Securities	\$1,537,601	\$1,484,848	3.6%
Total Loans	\$2,987,326	\$2,773,683	7.7%
Allowance for Loan and Lease Losses (ALLL)	(\$36,043)	(\$37,625)	-4.2%
Premises and Fixed Assets	\$61,625	\$60,837	1.3%
Other Assets	\$148,576	\$138,197	7.5%
Total Assets	\$4,845,976	\$4,602,641	5.3%

LIABILITIES	FY 2013	FY 2012	% Change
Members' Shares and Deposits	\$4,241,898	\$4,001,697	6.0%
Borrowed Money	\$68,786	\$83,417	-17.5%
Other Liabilities	\$49,853	\$46,458	7.3%
Total Liabilities	\$4,360,537	\$4,131,572	5.5%
Total Equity/Net Worth	\$485,439	\$471,069	3.1%
Total Liabilities and Equity	\$4,845,976	\$4,602,641	5.3%

Additional Information as of June 30th	FY 2013	FY 2012
Net Worth to Total Assets	10.02%	10.23%
Net Worth to Members' Shares & Deposits	11.44%	11.77%
Total Loans to Total Assets	61.65%	60.26%
Total Loans to Members' Shares & Deposits	70.42%	69.31%
ALLL to Total Loans	1.21%	1.36%
Return on Assets (annualized)	0.09%	0.79%

Selected Balance Sheet Items – State-Chartered Credit Unions
As of June 30, 2013
(in thousands)

	Total Assets	Total Loans	Shares & Deposits	Total Capital
ASI Private Share Insurance				
Fort Meade Community Credit Union	\$36,937	\$11,522	\$34,088	\$2,549
Post Office Credit Union of MD, Inc.	\$33,355	\$2,488	\$25,250	\$8,090
US Coast Guard Community Credit Union	Merged with Tower Federal Credit Union as of 6/30/2013			
National Credit Union Share Insurance				
Central Credit Union of MD, Inc.	\$21,988	\$10,334	\$19,022	\$2,930
Destinations Credit Union	\$58,393	\$27,862	\$50,289	\$7,525
Members First Credit Union	\$29,039	\$7,266	\$25,615	\$3,382
Municipal Employees Credit Union	\$1,211,581	\$676,275	\$1,014,287	\$122,655
Point Breeze Credit Union	\$737,371	\$283,616	\$645,207	\$83,783
State Employees Credit Union of MD	\$2,717,310	\$1,967,962	\$2,428,140	\$254,525
Total – All State Credit Unions	\$4,845,974	\$2,987,325	\$4,241,898	\$485,439

Prior Period End Totals
For Fiscal Years Ending June 30th
(in thousands)

Year	Total Assets	Total Loans	Shares & Deposits	Total Capital
2012	\$4,602,641	\$2,773,682	\$4,001,697	\$471,070
2011	\$4,261,030	\$2,522,571	\$3,655,934	\$438,800
2010	\$4,107,886	\$2,452,504	\$3,551,370	\$424,494
2009	\$3,867,974	\$2,420,744	\$3,356,352	\$415,266
2008	\$3,512,890	\$2,362,006	\$3,043,152	\$419,221
2007	\$3,302,841	\$2,245,600	\$2,837,274	\$403,824
2006	\$3,112,221	\$2,063,541	\$2,659,307	\$371,057
2005	\$2,996,701	\$1,813,530	\$2,639,925	\$338,253

DEPOSITORY CORPORATE ACTIVITIES

Corporate Applications Annual Overview

Marcia A. Ryan, Assistant Commissioner

OCFR began the fiscal year with regulatory responsibility for forty-seven banks with combined assets of \$24.85 billion. Following a number of mergers that were completed over the past twelve months, the total number of Maryland-chartered banks decreased to forty-five, as of June 30, 2013, while combined assets increased to \$25.08 billion. At the end of the fiscal year, Maryland banks were operating a total of 403 branches. OCFR also has regulatory responsibility for five Maryland-chartered non-depository trust companies, with almost than \$244 billion in trust assets; eight State-chartered credit unions, with combined assets of \$4.8 billion and one not-for-profit SBA guaranteed lending corporation.

Applications were received throughout the year from banks, trust companies, and credit unions seeking approval to implement various corporate changes to their organizations or to expand their business activities. The overall number of corporate applications submitted this year was consistent with the number from the prior fiscal year. Applications handled by the Corporate Activities group included: two federal-to-state charter conversions (one bank, one credit union); four bank/bank holding company mergers; two credit union mergers; one credit union purchase and assumption of a federal thrift; one credit union charter field of membership conversion; nine bank affiliates; the voluntary dissolution of a non-depository trust company; three wild card proposals; and two new branches. OCFR also approved seven representative office permits for out-of-state banks; approved three out-of-state banks to act as escrow depositories for the benefit the Maryland Affordable Housing Trust; and acted on a wide range of other corporate applications.

OCFR continues to see significant interest in the Maryland banking and credit union charters:

- Fairmount Bank - OCFR is pleased to be working with the management team of Fairmount Bank as they progress through the process of converting the Bank from a federal stock savings bank to a Maryland state-chartered commercial bank. As of June 30, 2013, the Bank, which operates one branch in the Rosedale area, has assets of almost \$80 million. Impressively, Fairmount Bank has been operating continuously in the Baltimore area since 1879, making it one of the oldest banks in Maryland. We anticipate approving Fairmount's application in early fiscal year 2014, and look forward to welcoming the Bank into Maryland's state banking system.
- HAR-CO Maryland Federal Credit Union – OCFR is also working with the management of HAR-CO in converting from a federal credit union to a Maryland state-chartered credit union. The Credit Union, which was originally established in 1955 to provide financial services to Harford County public school teachers, currently operates three branches and has assets of approximately \$195 million. Upon conversion the name will be changed to HAR-CO Credit Union. We anticipating approving this application in early fiscal year 2014.

Looking ahead to FY 2014, we will continue to work with a number of other national/federal banks and credit unions that have begun the process of exploring conversions to Maryland charters. These conversions reflect, at least in part, recognition of OCFR's commitment to maintaining a vibrant and healthy state chartered banking and credit union system.

BANKS, CREDIT UNIONS and TRUST COMPANIES
Activity on Selected Applications
Fiscal Year Ended June 30, 2013

CONVERSIONS to STATE CHARTERS

Institution Name	Main Office	Former Name	Approval
<i>FAIRMOUNT BANK</i> To convert from a federal stock savings bank to a State-chartered commercial bank	Baltimore, MD	Fairmount Bank	Pending
<i>HAR-CO CREDIT UNION</i> To convert from a federal credit union to a State-chartered credit union	Bel Air, MD	HAR-CO Maryland Federal Credit Union	Pending

CREDIT UNION FIELD of MEMBERSHIP CHARTER CONVERSIONS

Institution Name	Main Office	Approval
<i>U.S. COAST GUARD COMMUNITY CREDIT UNION</i> Converted field of membership from community common bond to multiple common bond	Baltimore, MD	04/29/13

MERGERS and ACQUISITIONS

Surviving Institution Main Location	Merged/Acquired Institution Main Location	Approval
<i>MUNICIPAL EMPLOYEES CREDIT UNION (MECU)</i> Baltimore, MD	Mercy Health Services Employees Federal CU Baltimore, MD	09/21/12
<i>OLD LINE BANCSHARES, INC.</i> Bowie, MD	WSH Holdings, Inc. Bowie, MD	03/05/13
<i>OLD LINE BANK</i> Bowie, MD	Washington Savings Bank, FSB Bowie, MD	03/05/13
<i>FNB CORPORATIONION</i> Hermitage, PA	Annapolis Bancorp Annapolis, MD	03/15/13
<i>FNB NATIONAL BANK OF PENNSYLVANIA</i> Hermitage, PA	BankAnnapolis Annapolis, MD	03/15/13
<i>TOWER FEDERAL CREDIT UNION</i> Laurel, MD	U.S. Coast Guard Community Credit Union Baltimore, MD	04/29/13
<i>MUNICIPAL EMPLOYEES CREDIT UNION (MECU)</i> Baltimore, MD	Advance Bank Baltimore, MD	Pending

BANK AFFILIATES

Institution Name Main Location	Affiliate	Approval
<i>CECIL BANK</i> Elkton, MD	Cecil Ventures, LLC Cecil Bancorp Capital Trust I Cecil Bancorp Capital Trust II Cecil Properties, Inc. 1223 Turkey Point Road LLC Cecil Real Properties, LLC Novo Realty, LLC 893 Noxontown Road, LLC	10/09/12
<i>THE PEOPLES BANK</i> Chestertown, MD	Fleetwood, Athey, MacBeth & McCowan, Inc	12/28/12

MISCELLANEOUS

Institution Name	Application	Approval
<i>CFG COMMUNITY BANK</i> Baltimore, MD	To establish a third-party courier service	08/06/12
<i>CERTUS BANK</i> Charlotte, NC	To act as escrow depository for certain real estate transactions for the benefit of the Maryland affordable Housing Trust	08/28/12
<i>SONABANK</i> McLean, VA	To act as escrow depository for certain real estate transactions for the benefit of the Maryland affordable Housing Trust	12/05/12
<i>SHORE BANK</i> Elizabeth City, NC	To act as escrow depository for certain real estate transactions for the benefit of the Maryland affordable Housing Trust	02/25/13
<i>STATE EMPLOYEES CREDIT UNION (SECU)</i> Baltimore, MD	To transfer certain lending functions to shared CUSO/Shared Services Solution LCC	03/15/13
<i>OLD MUTUAL ASSET MANAGEMENT TRUST CO.</i> Baltimore, MD	Articles of Voluntary Dissolution	04/02/13
<i>FARMERS AND MERCHANTS BANK</i> Upperco, MD	To repurchase a portion of the Bank's capital stock	04/03/13
<i>MUNICIPAL EMPLOYEES CREDIT UNION (MECU)</i> Baltimore, MD	To establish a debt-cancellation program	06/24/13
<i>OLD LINE BANK</i> Bowie, MD	Request to pay dividend	06/27/13

STATE BANKS - BRANCH OPENINGS & CLOSINGS – July 1, 2012 – June 30, 2013

Institution Name	Main Office	Opened	Closed
Baltimore County Savings Bank	Baltimore, MD		1
Cecil Bank	Elkton, MD		1
CFG Community Bank	Baltimore, MD		1
Columbia Bank, The	Columbia, MD		2
Easton Bank & Trust Co.	Easton, MD		2
First Mariner Bank	Baltimore, MD		3
First United Bank & Trust	Oakland, MD		2
Howard Bank	Ellicott City, MD	2	
NBRFS Financial Bank	Rising Sun, MD		2
Old Line Bank	Bowie, MD		1
Patapsco Bank	Baltimore, MD		1
Provident State Bank	Preston, MD		1
Total Branches Approved		2	
Total Branches Closed			17

STATE-CHARTERED COMMERCIAL BANKS and SAVINGS BANKS

Location, Assets, and CRA Ratings

As of June 30, 2013

Bank Name	Principal Location	Total Assets (in thousands)	No. of Branches	CRA Rating
Baltimore County Savings Bank	Baltimore	\$635,762	16	Satisfactory
Bank of Glen Burnie, The	Glen Burnie	\$380,780	8	Satisfactory
Bank of Ocean City	Ocean City	\$232,925	6	Satisfactory
Blue Ridge Bank	Frederick	\$161,440	2	Satisfactory
Calvin B. Taylor Banking Company	Berlin	\$441,868	10	Satisfactory
Carroll Community Bank	Sykesville	\$107,091	2	Outstanding
Cecil Bank	Elkton	\$428,728	11	Satisfactory
CFG Community Bank	Baltimore	\$477,778	3	Satisfactory
Chesapeake Bank and Trust Company	Chestertown	\$91,773	2	Satisfactory
CNB	Centreville	\$463,951	11	Satisfactory
Columbia Bank, The	Columbia	\$1,962,469	39	Satisfactory
Community Bank of Tri-County	Waldorf	\$978,630	10	Satisfactory
Congressional Bank	Bethesda	\$424,736	4	Satisfactory
County First Bank	LaPlata	\$204,571	6	Satisfactory
Damascus Community Bank	Damascus	\$261,518	5	Satisfactory
EagleBank	Bethesda	\$3,395,218	18	Satisfactory
Easton Bank & Trust Company	Easton	\$138,261	4	Satisfactory
Farmers and Merchants Bank	Upperco	\$275,384	7	Satisfactory
Farmers Bank of Willards, The	Willards	\$317,450	8	Satisfactory
First Mariner Bank	Baltimore	\$1,228,293	18	Satisfactory
First United Bank and Trust	Oakland	\$1,323,730	28	Satisfactory

Frederick County Bank	Frederick	\$322,345	5	Satisfactory
Glen Burnie Mutual Savings Bank, The	Glen Burnie	\$79,536	1	Satisfactory
Harbor Bank of Maryland, The	Baltimore	\$247,252	7	Satisfactory
Harford Bank	Aberdeen	\$292,564	8	Satisfactory
Hebron Savings Bank	Hebron	\$506,024	11	Satisfactory
Howard Bank	Ellicott City	\$414,570	5	Satisfactory
Liberty Bank of Maryland	Baltimore	\$42,047	2	Satisfactory
Maryland Financial Bank	Towson	\$63,488	1	N/A
Middletown Valley Bank	Middletown	\$158,164	5	Satisfactory
Midstate Community Bank	Baltimore	\$182,598	1	Satisfactory
Monument Bank	Bethesda	\$402,792	2	Satisfactory
NBRS Financial Bank	Rising Sun	\$212,538	6	Satisfactory
New Windsor State Bank	Taneytown	\$274,634	6	Satisfactory
Old Line Bank	Bowie	\$1,140,022	23	Satisfactory
Patapsco Bank, The	Baltimore	\$231,198	4	Satisfactory
Peoples Bank, The	Chestertown	\$239,606	7	Outstanding
Provident State Bank, Inc.	Preston	\$288,118	9	Satisfactory
Queenstown Bank of Maryland, The	Queenstown	\$451,846	8	Satisfactory
Regal Bank and Trust	Owings Mills	\$144,084	4	Satisfactory
Revere Bank	Laurel	\$475,859	3	Satisfactory
Saint Casimirs Savings Bank	Baltimore	\$100,705	4	Needs to Improve
Sandy Spring Bank	Olney	\$4,069,572	49	Satisfactory
Talbot Bank, The	Easton	\$577,914	7	Satisfactory
Woodsboro Bank	Woodsboro	\$235,101	7	Satisfactory

Total		\$25,084,933	403	
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STATE-CHARTERED CREDIT UNIONS

Assets & Field of Membership Type As of June 30, 2013

Credit Union Name	Principal Location	Total Assets (in thousands)	No. of Branches	Field of Membership Type
Central Credit Union of Maryland	Towson	\$21,988	1	Multiple Common Bond
Destinations Credit Union	Parkville	\$58,393	3	Multiple Common Bond
Fort Meade Community Credit Union	Fort Meade	\$36,937	2	Community Common Bond
Members First Credit Union	Baltimore	\$29,039	1	Multiple Common Bond
Municipal Employees Credit Union	Baltimore	\$1,211,581	10	Multiple Common Bond
Point Breeze Credit Union	Hunt Valley	\$737,371	3	Multiple Common Bond
Post Office Credit Union of MD	Baltimore	\$33,355	1	Single Common Bond
State Employees Credit Union of MD	Linthicum	\$2,717,310	21	Multiple Common Bond
Total		\$4,845,974	42	

STATE-CHARTERED NON-DEPOSITORY TRUST COMPANIES

Location and Business Type As of June 30, 2013

Trust Company Name	Principal Location	Trust/Fiduciary Business Purpose
Brown Investment Advisory and Trust Company	Baltimore	Investment Advisory Services
Chevy Chase Trust	Bethesda	Investment Management & Financial & Planning
NewTower Trust Company	Bethesda	Trustee for Multi-Employer Property Trust
Securities Finance Trust Company	Boston	Securities Lending
T. Rowe Price Trust Company	Baltimore	Investment Management

OTHER FINANCIAL INSTITUTIONS OPERATING IN MARYLAND

As of June 30, 2013

NATIONAL BANKS

National Bank Name	Principal Location	Branches in Maryland	Total Assets (in thousands)
Asia Bank, N.A.	Flushing, NY	1	\$468,106
Bank of America, N.A.	Charlotte, NC	174	\$1,429,737,000
BOFK, N.A.	Tulsa, OK	1	\$27,546,357
Capital Bank, N.A.	Rockville, MD	2	\$494,569
Capital One Bank, N.A.	McLean, VA	119	\$235,242,603
Citibank, N.A.	Sioux Falls, SD	15	\$1,319,359,000
First National Bank of Pennsylvania	Greenville, PA	8	\$12,386,243
HSBC Bank USA, N.A.	McLean, VA	3	\$182,540,696
Legg Mason Invest. Counsel & Trust	Baltimore, MD	1	\$70,190
National Penn Bank	Boyertown, PA	1	\$8,286,409
PNC Bank, N.A.	Wilmington, DE	225	\$294,525,586
Sovereign Bank, N.A.	Wilmington, DE	10	\$76,431,227
TD Bank, N.A.	Wilmington, DE	17	\$212,167,225
The National Bank of Cambridge	Cambridge, MD	3	\$200,310
Wells Fargo, N.A.	Sioux Falls, SD	83	\$1,284,538,000
Woodforest National Bank	Houston, TX	11	\$3,911,781
Total		674	\$5,087,905,302

FEDERAL SAVINGS BANKS

Federal Savings Banks / Thrifts	Principal Location	Branches in Maryland	Total Assets (in thousands)
Advance Bank	Baltimore, MD	2	\$57,255
American Bank	Rockville, MD	3	\$464,664
Arundel Federal Savings Bank, FSB	Glen Burnie, MD	7	\$472,013
Bay Bank, FSB	Lutherville, MD	13	\$470,862
Bay-Vanguard Federal Savings Bank	Sparrows Point, MD	6	\$185,559
Chesapeake Bank of Maryland	Parkville, MD	5	\$190,011
Colombo Bank	Rockville, MD	3	\$135,213
Community First Bank	Hunt Valley, MD	1	\$237
Eastern Savings Bank, FSB	Hunt Valley, MD	5	\$455,694
Fairmount Bank	Baltimore, MD	1	\$78,713
First Shore Federal Savings & Loan Assoc.	Salisbury, MD	7	\$307,208
Fraternity Federal Savings & Loan Assoc.	Baltimore, MD	4	\$165,863
Hamilton Federal Bank	Baltimore, MD	6	\$314,941
Homewood Federal Savings Bank	Baltimore, MD	1	\$70,164
Hopkins Federal Savings Bank	Baltimore, MD	2	\$309,307
Independence Federal Savings Bank	Washington, DC	1	\$69,273
Jarrettsville Federal Savings & Loan Assoc.	Jarrettsville, MD	1	\$111,983
Kopernik Federal Bank	Baltimore, MD	2	\$69,278
Kosciuzsko Federal Savings Bank	Baltimore, MD	1	\$12,460
Madison Bank of Maryland	Forest Hill, MD	4	\$149,864
Madison Square Federal Savings Bank	Nottingham, MD	4	\$149,786
North Arundel Savings Bank, FSB	Pasadena, MD	1	\$41,395
OBA Bank	Germantown, MD	7	\$381,617
Presidential Bank, FSB	Bethesda, MD	2	\$555,841
Prince George's Federal Savings Bank	Upper Marlboro, MD	4	\$108,662
Rosedale Federal Savings & Loan Assoc.	Baltimore, MD	9	\$793,691
Severn Savings Bank, FSB	Annapolis, MD	4	\$835,876
Slavie Federal Savings Bank	Bel Air, MD	2	\$153,675
T. Rowe Price Savings Bank	Baltimore, MD	1	\$168,937
Total		109	\$7,280,042

OTHER-STATE-CHARTERED BANKS

Banks Chartered by Other States	Principal Location	Branches in Maryland	Total Assets (in thousands)
Bank of Georgetown	Washington, DC	2	\$934,179
BB&T	Winston-Salem, NC	126	\$177,895,050
BealBank, SSB	Plano, TX	1	\$2,808,137
Beal Bank, USA	Las Vegas, NV	1	\$6,246,134
Cardinal Bank	McLean, VA	1	\$2,890,660
Clear Mountain Bank	Bruceton Mills, WV	1	\$467,863
CNB Bank, Inc.	Berkeley Springs, WV	1	\$277,440
Essex Bank	Tappahannock, VA	7	\$1,122,982
First-Citizens Bank & Trust Company	Raleigh, NC	1	\$20,950,956
Industrial Bank	Washington, DC	2	\$350,010
Jefferson Security Bank	Shepherdstown, WV	1	\$286,060
John Marshall Bank	Falls Church, VA	1	\$596,624
M&T Bank	Buffalo, NY	161	\$82,376,247
Miners & Merchants Bank	Thomas, WV	1	\$50,791
Northwest Savings Bank	Warren, PA	4	\$7,969,493
Orrstown Bank	Shippensburg, PA	1	\$1,190,866
PeoplesBank, A Cordus Valley Company	York, PA	3	\$1,096,007
Premier Bank, Inc.	Huntington, WV	1	\$728,006
Shore Bank	Onley, VA	3	\$316,374
SonaBank	McLean, VA	5	\$706,443
Standard Bank, PaSB	Murrysville, PA	2	\$436,914
SunTrust Bank	Atlanta, GA	132	\$167,101,823
Susquehanna Bank	Lititz, PA	43	\$18,023,721
The Bank of Delmarva	Seaford, DE	7	\$421,554
United Bank	Fairfax, VA	8	\$3,493,351
WashingtonFirst Bank	Reston, VA	3	\$1,124,421
Woori America Bank	New York, NY	1	\$1,072,840
Total		520	\$500,934,946

FORECLOSURE PREVENTION AND OUTREACH

Annual Overview

Pursuant to legislation passed in 2010, the Office added a Director of Foreclosure Outreach (“Director”). The Director is responsible for implementing and coordinating the Office’s constantly expanding role in response to the current foreclosure crisis. Since the inception of the position in 2011, the Director has represented the Office at federal, state, local and other foreclosure events, and served on interagency teams on topics related to foreclosure, including loss mitigation and mediation. The Director works particularly closely with foreclosure prevention housing counselors across the State and with the Department of Housing and Community Development (“DHCD”)

The Director oversees the Office’s Notice of Intent to Foreclose (“NOI”) Project. Pursuant to changes in Maryland’s foreclosure laws passed in April 2008, secured parties pursuing foreclosure must send an NOI to the borrower 45 days prior to docketing a foreclosure. The secured party must also furnish a copy of the document to the Commissioner. The Office processes the NOI data and responds with targeted outreach to borrowers, including information about obtaining free assistance and avoiding scams. Initially, the NOIs were received largely in paper form – by the thousands – and through an inefficient and crude electronic process accessible by only the largest servicers. In fiscal year 2011, the Office implemented an electronic portal which is accessible by all entities to process NOI submissions electronically and eliminated all paper. The new system is more efficient for all parties, captures significantly more data and allows for faster dissemination of outreach materials. During fiscal year 2013, the Office received approximately 125,000 NOIs and responded with an outreach packet for the homeowner. After the \$25 billion National Mortgage Servicing Settlement was announced in March of 2012, the Office was able to separate the data for the five largest servicers and send targeted outreach to homeowners with mortgage serviced by those servicers.

OCFR also responded to enactment of legislation in Fiscal Year 2012 creating a Foreclosed Property Registry. The online registry is intended to allow government officials to better locate parties responsible for the condition of foreclosed properties during the “limbo period” between a foreclosure auction and the ultimate recordation of the property deed. The Registry provides a simple central resource by which State and local governments have timely access to contact information for reaching the purchasers of foreclosed properties after a property auction which would gather data regarding foreclosed properties as soon as they are sold at auction or acquired by the bank. OCFR was responsible for developing and implementing this legislation which was passed during the General Assembly in 2012. The Director worked with the Office of Information Technology to implement the registry as of October 1, 2012.

Fiscal Year	Notices of Intent to Foreclose Received	
	by the Office	
2008*	10,987	
2009	140,531	
2010	161,632	
2011	154,867	
2012	178,518	
2013	124,575	

* Data collected in the last quarter of fiscal year 2008, May 2008 through June 2008

ENFORCEMENT & CONSUMER SERVICES

Annual Overview

Cynthia H. Jones, Assistant Commissioner

Consumer Services Unit

The Consumer Services Unit is responsible for examining consumer complaints involving financial institutions. The Consumer Services Unit continues to investigate consumer inquiries and respond to complaints involving licensed and unlicensed financial services institutions conducting business in Maryland. During FY2013, complaints typically involved the mortgage industry, collection agencies, credit bureaus and pay day lenders as well as a multitude of other financial services businesses. The trend overall was in the category of Mortgage complaints where there was a 55% increase in the number of complaints from FY2012. Additionally, there was a 100% increase in payday loan complaints for FY2013. Finally, there was a 47% increase in complaints involving Maryland banks and credit unions. The Unit continues to take pride in providing one-on-one customer service to consumers filing complaints, assisting consumers with 2,418 complaints in FY2013; a slight increase from FY2012.

The following provides a representative sample of the work of the Consumer Services Unit:

- A consumer's attorney contacted the Unit in reference to a mortgage debt of \$576,535.00 that was appearing on the consumer's credit report. This Unit was advised that the consumer transferred the property to the previous lender by completing a Deed in Lieu of Foreclosure and received an Affidavit of Satisfaction. After the current lender completed their investigation, they were able to verify that the consumer completed the Deed In Lieu of Foreclosure and that the consumer received documentation from the previous lender of the cancellation of debt. The licensee removed the account from the consumer's credit report and therefore, the consumer was not obligated to pay the mortgage debt.
- A consumer contacted the Unit for assistance with a loan modification. Prior to the investigation, the consumer experienced difficulty with obtaining assistance for this problem. Due to the Unit's involvement with the case, the consumer obtained a trial modification and the consumer's interest rate was reduced to 2% for five (5) years, which resulted in an overall cost savings of over \$30,000.
- A consumer contacted the Unit for assistance with a loan modification on his second mortgage. The consumer stated that even though the lender had given a loan modification on the first mortgage they would not provide a loan modification on the second mortgage. After, the lender was contacted, the second mortgage was forgiven. The consumer's balance on the second mortgage was over \$32,000.

In addition, the Consumer Services Unit continues to collaborate with state and federal agencies to address issues that affect Maryland consumers. For example, this year the Unit partnered with the Consumer Finance Protection Bureau (CFPB) by way of a Consumer Complaint Portal where information about complaints filed by Maryland consumers with the CFPB is forwarded to state regulators. Since the inception of the partnership, complaints we receive through the portal are reviewed and assessed for viability. Consumers are contacted by phone and by letter. If the consumer's complaint is not resolved by CFPB, the complaint is assigned to an examiner to work. The Consumer Services Unit has also established a working relationship with The Loan Modification Scam Prevention Network which is an initiative of the Lawyers Committee for Civil Rights under the Law. Through this partnership, the Unit receives loan modification scam complaints filed through the initiative's online complaint database. The database is reviewed weekly to identify loan modification scam complaints filed by Marylanders. After the online complaints are reviewed and vetted, the complaint is assigned to an examiner. Lastly, we have continued our partnership with the Office of the Comptroller of the Currency (OCC) through the OCC Consumer Complaint Portal. Unlike the previously named partnerships,

Consumer Services is able to send complaints through this portal partnership as well as receive complaints. During FY2013, the Consumer Services Unit forwarded 143 complaints to the OCC. Through these collective initiatives, we have been able to better serve more Marylanders by direct services or by connecting them to the appropriate regulator for the industry they complain of.

The Consumer Services Unit will continue to identify trends and work within and outside of the Office to close gaps in the law in the industries that are adversely impacting Maryland consumers.

Consolidated Written Consumer Complaint Analysis Fiscal Years Ending June 30th

Complaint Category	2013	2012	2011	2010	2009
Collection Agency	615	754	530	563	590
Non-Maryland Institutions *	203	481	582	748	636
Mortgage	687	442	598	563	654
Credit Reporting Company	278	239	277	321	407
General Consumer	195	211	233	302	238
PayDay Loans	337	168	N/A	N/A	N/A
Maryland Bank & Credit Union	65	44	39	47	88
Miscellaneous	38	39	13	29	37
TOTAL ANNUAL COMPLAINTS	2,418	2,378	2,272	2,573	2,650

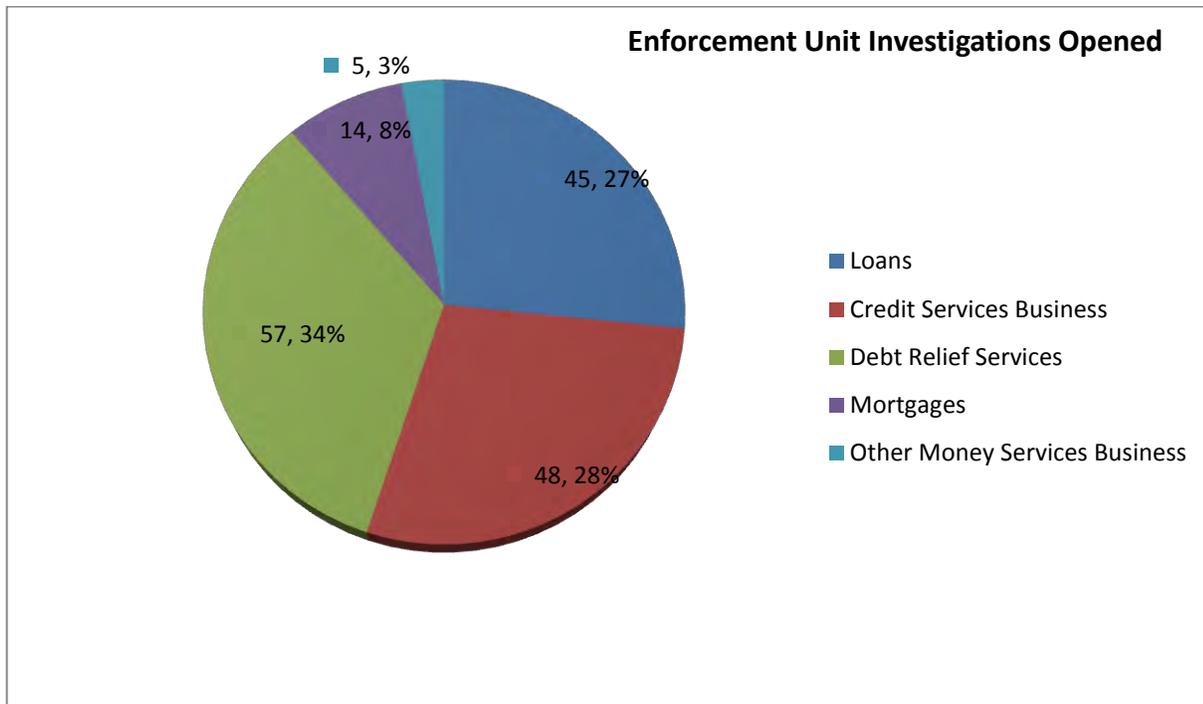
(*) Complaints received against institutions not regulated by the Office, including national banks, federal savings banks, savings and loan associations, federal credit unions and out-of-state banks.

Enforcement Unit

The Enforcement Unit is responsible for conducting independent investigations of allegations of regulatory violations or violations of criminal statutes, and provides investigative support to other units in the division relative to the jurisdiction of the Commissioner. In FY2013, the Enforcement Unit witnessed a significant increase in the number of investigations involving payday lending complaints and the associated collection activities by unlicensed collection agencies and individuals. Payday lending and collection investigations totaled 57% of all opened investigations compared to FY2012's 40%. This was a departure from prior fiscal years when mortgage and loan modification fraud was the predominate cause of consumer complaints leading to an investigation. In FY2013 mortgage and loan modification investigations totaled 37% of all opened investigations when compared with FY2012's 53%.

Investigations from mortgage, loan modification and foreclosure avoidance activities appear to be waning while payday lending and collection activity by unlicensed companies, particularly those associated with payday lenders, are rising. In FY2013, the Enforcement Unit began 57 Collection Agency investigations where

a consumer complained collection activity by unlicensed entities. Many of these collections involved payday lending activity and/or loans with usurious interest rates unlawful in the state. Because almost all payday lending transactions occur online and involve out-of-state companies, investigations are challenging as the offending companies are difficult to locate and frequently fail to respond to subpoenas.



The Unit continues to see an increase in complaints involving businesses in the financial industry that offer short term loans including payday lenders. This trend is attributable to several factors, most notably the rise of internet lending. In addition, the current economic climate and the increase in the number of consumers having difficulty meeting their mortgage obligations has also increased demand. The Enforcement Unit undertook an audit of all open payday loan investigations and found that many involve the same companies and/or individuals but utilized multiple names and internet naming conventions. This creates challenges in identifying the real ownership and identity of the perpetrators. Once ownership is identified, effort is made to consolidate like case investigations for a more thorough investigation and prosecution effort.

As mentioned, collection investigations have exponentially risen along with payday lending investigations. This may be due, in part to the payday lenders attempting to collect on the loans by every means available to them. In many instances delinquent loans are sold to unlicensed collection agencies that violate the state and Federal Fair Debt Collection Act.

Investigators continue to participate in financial fraud and public outreach events on scam awareness and avoidance across Maryland. Members of the Enforcement Unit conducted presentations and trainings regarding payday lending issues at St. Ambrose, a non-profit counseling agency for consumers and conducted mortgage fraud training for regulators and investigators here and in Puerto Rico to bilingual audiences.

The following is representative of the work of the Enforcement Unit:

- In the Matter of National Lawsuit Funding, LLC. – The investigation of this entity revealed that the company engaged in making litigation funding advances and other loans to Maryland consumers

without the proper licenses. These loans exceeded the permissible interest rate caps. Refunds were ordered totaling \$4,401,390 for 267 Maryland consumers. The entity was fined \$45,000.

- In the Matter of My Cash Now, Payday Max, Discount Advances, Credit Payment Services, and Credit Protection Depot - These companies engaged in usurious consumer lending and collection services involving 69 Maryland consumers without the benefit of licensing and in violation of Maryland Consumer Loan Law, the Maryland Collection Agency Licensing Act, and the Maryland Consumer Debt Collection Act. These companies utilize the internet to promote the application of and the funding for payday loans while purportedly being offshore but actually located and operating from the State of Tennessee. All loans were declared void and unenforceable. Total refund values are still being determined. Penalties of \$214,500 were assessed.
- In the Matter of ATC Financial, LLC. - This entity offered and engaged in short sale negotiations while licensed as a Credit Services Business. ATC sought interpretation guidance due to a vague statute. In an effort to clarify the existing law and its applicability, the Office of the Commissioner participated in the drafting of the Maryland MARS ACT which later passed through the Maryland Legislature and was enacted into law. After a protracted investigation the case was settled. ATC agreed to pay a \$50,000 penalty and a \$10,000 investigation fee.
- In the Matter of the Glenmore Law Firm – The Glenmore Law Firm held itself out to be a valid law firm providing loan modification and foreclosure consulting services to Maryland consumers in addition to collecting up-front fees. The Respondents were not licensed to practice law in any jurisdiction. The firm regularly utilized attorneys not authorized to practice law in Maryland as well as using attorneys recently admitted to the Maryland bar but without proper compensation. Following a hearing in June of 2012 a Final Order was issued determining that the respondent (s) had violated the Maryland Credit Services Business Act, the Protection of Homeowners in Foreclosure Act, acted as foreclosure consultants, and violated licensing requirements. A civil penalty of \$101,600 was ordered and restitution in the amount of \$211,200 was ordered on behalf more than 190 Maryland consumers. A criminal referral was made to the State’s Attorney for Prince George’s County and the matter is pending.

Maryland Mortgage Fraud Initiative

In FY 2013 the United States Department of Justice Grant for the Maryland Mortgage Fraud Initiative (*“the Initiative”*) come to a close. In its last year the Initiative continued to be successful in combating mortgage fraud in the State of Maryland in both the regulatory and criminal arenas. The goal of the project continued to be to reduce mortgage fraud and mortgage loan modification and foreclosure scams in Maryland. Highlights of the final year included the high profile criminal prosecution by the Director of Mortgage Fraud and the Baltimore County State’s Attorney’s Office of Rodney Getlan who was convicted of mortgage fraud and sentenced to 35 years; the criminal prosecution of Svetlana Popok who was convicted of mortgage fraud and theft by the Carroll County State’s Attorneys’ Office, with the assistance of the Director of Mortgage Fraud as well as the issuance of the Opinion and Final Order In the Matter of Frank J. Ward, a regulatory action, where Mr. Ward was found to have conducted unlicensed mortgage origination, unlicensed loan origination, mortgage fraud and unlicensed lender activity.

Finally, with the remaining grant funds, the Office was able to engage a former Attorney General for the purposes of training staff on Home Equity Conversion Mortgages. The three day course was mandatory for staff in the Mortgage Compliance, Consumer Services and Enforcement Units and open to all others. Over 30 staff members were trained and received a course manual.

NON-DEPOSITORY INSTITUTIONS

Annual Overview

Keisha Whitehall Wolfe, Assistant Commissioner

Licensing Unit

The Office licenses over 12,000 non-depository institutions and individuals engaging in financial services businesses. The licensees provide consumer credit such as mortgage loans, consumer loans, and retail sales financing in addition to serving as check cashers, collection agencies, debt management companies, mortgage loan originators and money transmitters.

The Office witnessed a second annual increase in licensees in FY 2013, continuing the reversal of the steep decline in licensee volumes experienced in past years, especially in the mortgage industry. Similar to 2012, the Office saw increases in the number of mortgage licensees, collection agency licensees, and installment lender licensees. The increase in collection agency licensees and installment lender licensees is likely attributable to an economic climate that is still recovering. The increase in mortgage loan originator applications is also likely attributed to the Office's adoption of the NMLS Uniform State Test, which makes it easier for individuals to apply for licensing to various states at the same time.

The Office continued to use NMLS in FY 2013 and expects to transition more of its licensees to the system over time. Mandated to ensure compliance with federal law, the Office has used NMLS since 2009 for the Maryland mortgage licensing process. NMLS provides a common platform for all state regulators and mortgage market participants nationwide and is a secure web-based licensing system that allows companies to apply for, update, and renew their license authorities in one or more states conveniently and safely online.

Since the completion of transitioning mortgage lenders and originators to the NMLS in FY 2011, NMLS has been, and continues to be, enhanced to improve the efficiency and effectiveness of the licensing process for consumers and mortgage licensees alike. In FY 2013, the Unit continued utilizing NMLS's enhanced capabilities to allow companies and individuals to upload documents, including supporting application documents and explanations to 'Yes' responses to disclosure questions, directly to the company and individual record. These documents, which once had to be mailed to the Office and stored in a separate location, can now be uploaded to the record and maintained electronically. This enhancement allows for maintenance of the record in a single location and facilitates a more efficient processing of the application.

NMLS was modified to accommodate the licensing and/or registration of non-depository, financial services beyond the mortgage industry and due to the efficiencies realized in the mortgage industry, Maryland the laws governing money transmitters were amended to permit the use of NMLS for the licensing of money transmitters. The Office has been transitioning the licensing of money transmitters throughout last fiscal year and expects to be completed by December of 2013.

Finally, the Office has posted state regulatory action information in NMLS and that information is now displayed for consumers on the NMLS Consumer Access website. Consumers researching entities with whom they intend to conduct business in the State can see regulatory actions pertaining to companies and individuals, who have been identified as respondents.

**New Business Licensees and Total Current Business Licensees by Category
Fiscal Years 2013 & 2012**

License Category	New Licensees FY 2013	New Licensees FY 2012	Total Licensees FY 2013	Total Licensees FY 2012
Affiliated Insurance Producer- Mortgage Loan Originator	19	20	54	45
Check Casher	43	31	464	482
Collection Agency	257	210	1612	1,554
Consumer Loan	20	15	121	114
Credit Service Business	8	5	12	11
Debt Management	2	14	44	47
Debt Settlement Services	3	16	21	16
Installment Loan	32	17	155	129
Money Transmitter	9	10	92	87
Mortgage Lender	658	400	1907	1,459
Mortgage Loan Originator	1992	1,519	7068	5,686
Registered Exempt Mtg. Lender	9	92	14	117
Sales Finance	104	103	561	541
<i>TOTAL</i>	3,156	2,452	12,119	10,288

Mortgage Compliance Unit

The Mortgage Compliance Unit monitors the business activities of licensed mortgage lenders and mortgage loan originators in Maryland. Maryland Mortgage Lenders are licensed to conduct mortgage lending, mortgage brokering, and mortgage servicing of loans. Mortgage Loan Originators are licensed employees of the mortgage lender licensee, who have direct contact and interaction with consumers throughout the process. The Mortgage Compliance Unit is responsible for conducting compliance examinations of licensed mortgage lenders, whose range of services, coupled with the multitude of laws and regulations governing the extension of credit, provide for complex analysis and review. In addition to Maryland law, examiners evaluate compliance with federal laws, including the Real Estate Settlement Procedures Act, the Truth in Lending Act, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, and state foreclosure laws.

The Mortgage Compliance Unit has emerged as a leader in the area of servicer-examinations and has taken a key role in the multi-state efforts to examine foreclosure practices, including document preparation and oversight, in light of public concerns relating to defective affidavits filed in foreclosure proceedings known as “robo-signing”. This is the second year that the Compliance Unit continued to develop extensive examination procedures and guidelines for the examination of mortgage servicers, which are more specialized, far-reaching and time-consuming for the Examiners than the examinations of mortgage lenders and brokers. This type of

examination continues to benefit Maryland borrowers. Many servicers have faced large fines, penalties and consumer refunds during the past year, and more servicers are expected to face the same examination results in the coming year.

The Mortgage Compliance Unit continues to have a key role in multi-state examinations of mortgage lenders and mortgage brokers. In FY 2013, the Mortgage Compliance Unit participated in a number of joint examinations with other states under the auspices of the Conference of State Bank Supervisors (“CSBS”) and the Multi-State Mortgage Committee.

During FY 2013, through the efforts of the examination staff, the Mortgage Compliance Unit has completed approximately 360 examinations of mortgage lender licensees, resulting in consumer refunds of over \$1 million and the collection of fines and civil penalties of approximately \$1.7 million. Also as a result of the examinations, over \$45,000 in un-cashed refund checks were escheated to the Comptroller for the State of Maryland

The Office is required to examine new licensees within 18 month of licensure and at least once during any 36-month period thereafter. In FY 2012, the Mortgage Compliance Unit has implemented a risk based examinations schedule in addition to the mandatory requirement. The risk based examination has enabled the compliance unit to place greater emphasis on those licensees who have demonstrated a lack of compliance during prior examinations, licensees that are the subject of consumer or industry complaints, or licensees who have been subjected to administrative or legal action by other regulatory bodies, along with other issues brought to the Commissioner’s attention.

The members of the Mortgage Compliance Unit continue to maintain their professional competence through training and awareness of legislative updates. In June 2012 all of the Non-Depository Examiners in the unit, were re-certified by the Conference of State Bank Supervisors as Certified Mortgage Examiners or Certified Senior Mortgage Examiners and continue to be certified.

Non-Mortgage Compliance Unit

The Office oversees non-depository institutions that provide credit and other financial services to Maryland consumers. These institutions include Money Transmitters, Debt Management Services Providers, Debt Settlement Services Providers, Check Cashers, Sales Finance Companies, Credit Service Businesses and Installment Loan Companies. Many of the non-depository institutions regulated by the Commissioner offer diverse products to consumers through a number of products and services that are constantly evolving to keep up with consumer needs. The Maryland consumers reached by these non-depository institutions are those consumers who are either unbanked (people with no checking or savings account in a traditional bank or credit union) or under-served (people who chose not to utilize the products and services or who don’t qualify for such services with a traditional bank or credit union).

Money Transmitters

The Money Transmitter industry transmits funds electronically, provides money orders, travelers’ checks, bill payer services, bi-weekly mortgage payment services and prepaid stored value cards. As technology improves, money transmitters continue to find new and innovative ways to participate in the marketplace. These innovations include prepaid cards and online transmissions. As the prepaid card industry explodes and evolves far beyond gift cards we see the emergence of products that range from accelerating tax returns cards to mobile payments. Prepaid cards have become the fastest growing payment method in the US. This growth has been sustainable because of the diversity of the prepaid market. Prepaid cards are designed to sell into government disbursements, reloadable incentives, bank turn-down solutions, family budgeting tools, payroll, ATM usage, bill payment. The Internet has also seen an increase in companies that offer online funds transfers, bill payments and deposits or reloadable payments onto prepaid cards.

The Money Transmitter industry is the first of the non-depository non mortgage licensees to transition onto the NMLS licensing system. The NMLS will allow for many of the examination, annual reporting and semi-annual reporting documents to be uploaded, thereby creating a more paperless environment. As part of the NMLS the state of Maryland is participating in the Uniform Authorized Agent Report (“UAAR”) pilot program. The UAAR functionality will allow for more effective oversight of the 11,225 authorized agents conducting business on behalf of the ninety-two money transmitter licensees. The functionality should be complete by the end of next fiscal year.

In an effort to stay up to date with the changing industry through examination, oversight, and leveraging of resources through partnerships, examiners continue to participate in Money Transmitter Regulators Association (“MTRA”) joint examination committee where national licensees are strategically examined by a team of examiners from two to eight states. Money Transmitters are considered Money Service Businesses and are required to adhere to the federal Bank Secrecy Act (“BSA”) and Anti-Money Laundering (“AML”) regulations. As a result, Examiners continue to participate in programs with the Internal Revenue Services and Financial Crimes Enforcement Network aimed at consistency with the BSA in order to deter money laundering.

Debt Management

Debt Management Companies are licensed in Maryland and provide consumers access to payment plans that permit repaying debt over time with some accommodation from the creditor by enrolling in a debt management plan. With the assistance of a comprehensively trained credit counselor or certified credit counselor an agreement is entered into that provides full repayment over a thirty six month to sixty month time frame in exchange for concessions by the creditor. Concessions typically reduce payments and interest rates. Debt Management Companies not only assist Maryland consumers in managing their debt through a tailored debt management plan to meet their financial needs but also provide financial education and additional resources to promote healthier financial decisions in the future.

Check Cashers

At June 30, 2013 Check Casher licensees were providing check cashing services in addition to services provided as agents of licensed money transmitters. Agent services include but are not limited to prepaid debit cards, money orders, wire transfer services, and bill payment services. Check Cashers are also considered Money Service Businesses and are required to adhere to the federal Bank Secrecy Act (BSA) and Anti-Money Laundering regulations.

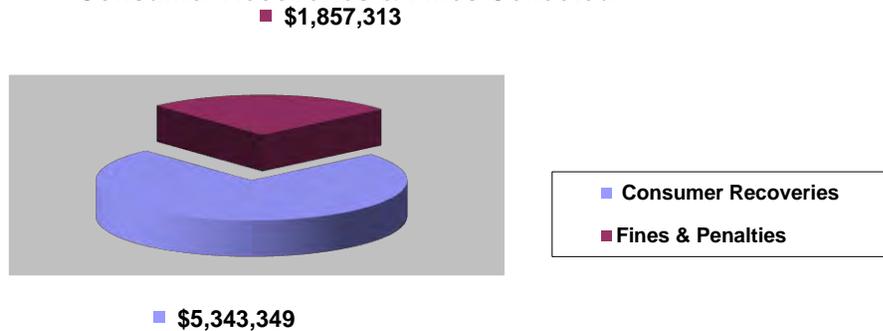
Monetary Recoveries for Consumers, Fines and Penalties

Monetary recoveries for consumers result from the Commissioner’s commitment to protect the public from economic harm caused by problems in the financial services market. During FY 2013, the Commissioner ordered recoveries to consumers of almost \$6.4 million. Of this amount, the Office recovered over \$5.3 million for consumers. Approximately \$1 million was determined to be uncollectible due to the condition of the responsible party and were sent to the Central Collection Unit of the Department of Budget and Management for collection efforts. The large volume of uncollected recoveries highlights the importance of the Office’s efforts to prevent problems before they arise as restitution is often difficult to obtain in practice.

Additionally, the Office imposed fines and penalties exceeding \$3 million on licensees and other individuals and companies that we determined had violated various State laws and/or regulations. The Office collected over \$1.8 million. The remaining balance was either determined to be uncollectible and sent to the Central Collection Unit of the Department of Budget and Management for collection efforts or was carried over to FY 2014. Collected fines were paid to the state’s General Fund, and were related to the activities of unlicensed individuals and companies committing loan modification scams. The Commissioner’s portion of the National Mortgage Settlement was \$1 million and is included in fines that were forwarded to the State’s General Fund.

	Total Ordered by the Commissioner FY 2013	Total Collected FY 2013	Total Ordered by the Commissioner FY 2012	Total Collected FY 2012
Consumer Recoveries *	\$6,387,081	\$5,343,349	\$17,365,325	\$13,752,929
Fines and Penalties *	\$3,080,425	\$1,857,313	\$4,651,383	\$1,670,083
TOTAL	\$9,467,506	\$7,200,662	\$22,016,708	\$15,423,012

Consumer Recoveries & Fines Collected



OFFICE SUMMARY

MISSION

The Office of the Commissioner of Financial Regulation supervises the activities of the financial services industry under its regulatory authority through periodic on-site examinations and off-site monitoring programs. The mission of the Office is to ensure that the citizens of Maryland are able to conduct their financial transactions in safe, sound, and well-managed institutions, while providing a flexible, yet sound regulatory environment that promotes fair competition, encourages innovative business development, and supports the economy of Maryland.

ACCREDITATION

Since July 13, 1992, the Office has been accredited by the Conference of State Bank Supervisors (CSBS). The Office is proud of this accreditation, and was granted recertification on June 28, 2012 after demonstrating compliance with the approval standards established by CSBS. CSBS is a national organization that represents the interests of state banking departments. State banking departments must undergo a re-accreditation examination and audit every five years and submit annual assessment updates in order to retain certification. The CSBS Accreditation Program is designed to encourage the standardization of supervision and regulation of state chartered banks, identify weaknesses, and capitalize on the strengths of state banking departments. The process assists the Office to effectively carry out its responsibilities of chartering and supervising State chartered financial institutions, of ensuring industry safety and soundness, legal and regulatory compliance, and providing responsive service.

OFFICE REVENUE and EXPENDITURES

The Office of the Commissioner of Financial Regulation is a partially self-supporting unit of the State Government. Operating expenditures are largely funded from dedicated fees, with the remainder funded from tax revenues. The Office's funding is obtained mostly from the supervision and licensing fees assessed upon those financial institutions regulated by the Commissioner. During FY 2012, funds collected by the Office were remitted to the State's General Fund, with the exception of four Special Funds, which are directly funded by Maryland-licensed mortgage lenders, money transmitters, debt management companies and Maryland state chartered banks, credit unions and non-depository trust companies to cover the costs of supervising those industries. The following charts compare the Office's revenue and expenditures for fiscal years 2011, 2012 and 2013.

Revenues & Expenditures - General Fund
Fiscal Years Ending June 30th

REVENUE	FY 2011	FY 2012	FY 2013
Non-Depository Licensing Fees	\$1,281,314	\$807,995	\$1,529,342
Fines & Penalties *	\$563,425	\$1,670,083	\$1,853,661
Total Revenue	\$1,844,739	\$2,478,078	\$3,383,003

* All Fines & Penalties from all Programs are paid into the State's General Fund

EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$1,968,645	\$1,717,129	\$2,028,375
Technical and Special Fees	\$0	\$0	\$0
Communication	\$263	\$2	\$3
Travel/Training	\$0	\$0	\$522
Utilities	\$0	\$0	\$0
Lease Expense, Parking Facilities	\$0	\$0	\$0
Contractual Services	\$0	\$108,519	\$225,000
Supplies and Materials	\$0	\$11,482	\$100
Equipment	\$1,390	\$0	\$0
Fixed Charges, Rent	\$0	\$0	\$0
Total Expenditures	\$1,970,298	\$1,837,132	\$2,254,001
Net Revenue for Fiscal Year	(\$125,559)	\$640,946	\$1,129,002

Bank & Credit Union Special Fund
Fiscal Years Ending June 30th

REVENUE	FY 2011	FY 2012	FY 2013
Bank & Credit Union Assessments	\$2,921,467	\$3,149,526	\$3,294,781
Non-Depository Trust Company Assessments	\$233,526	\$231,396	\$221,087
Depository Amendment and Filing Fees	\$50,747	\$21,700	\$29,700
Miscellaneous Income/Other	\$0	\$0	\$6,390
Total Revenue	\$3,205,740	\$3,402,622	\$3,551,958

EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$1,688,912	\$1,948,959	\$1,785,913
Technical and Special Fees	\$183,352	\$193,567	\$177,856
Communication	\$60,167	\$51,851	\$42,145
Travel/Training	\$235,112	\$266,751	\$260,619
Lease Expense, Parking Facilities	\$6,423	\$7,408	\$7,393
Contractual Services	\$176,831	\$190,632	\$189,739
Supplies and Materials	\$6,403	\$13,363	\$10,144
Equipment	\$4,216	\$53,601	\$3,870
Fixed Charges, Rent	\$132,419	\$159,992	\$203,267
Administrative Expenses	\$328,885	\$415,800	\$392,050
Total Expenditures	\$2,822,720	\$3,301,926	\$3,072,998

Net Revenue for Fiscal Year	\$383,020	\$100,696	\$478,960
Year End Adjustment		\$398,399	
Special Fund Balance Carried Forward	\$852,575	\$1,351,670	\$1,830,630

Special Fund – Debt Management
Fiscal Years Ending June 30th

REVENUE	FY 2011	FY 2012	FY 2013
Debt Management Licensing Fees	\$5,355	\$122,775	\$16,000
Debt Management Examination Fees	\$10,984	\$20,397	\$18,472
Miscellaneous Income/Other	\$5,561	(\$206)	
Total Revenue	\$21,900	\$142,966	\$34,472
EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$0	\$71,782	77,776
Technical and Special Fees	\$0		
Communication	\$0	\$231	356
Travel/Training	\$4,372	\$23,528	11,151
Utilities			
Lease Expense, Parking Facilities	\$953	\$847	924
Contractual Services	\$0	\$9	9
Supplies and Materials	\$0		
Equipment	\$0		
Fixed Charges, Rent	\$30	\$36	55
Administrative Expenses	\$5,561	\$11,870	12,126
Total Expenditures	\$10,916	\$108,303	\$102,397
Net Revenue for Fiscal Year	\$10,984	\$34,663	(\$67,925)
Special Fund Balance Carried Forward	\$78,074	\$112,737	\$44,812

Special Fund – Money Transmitters
Fiscal Years Ending June 30th

REVENUE	FY 2011	FY 2012	FY 2013
Money Transmitter Licensing Fees	\$24,000	\$349,800	\$158,800
Money Transmitter Examination Fees	\$22,682	\$36,843	\$39,755
Miscellaneous Income/Other	\$0		(\$349)
Total Revenue	\$46,682	\$386,643	\$198,206
EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$254,656	\$270,284	\$232,231
Technical and Special Fees	\$0		
Communication	\$395	\$623	\$798
Travel/Training	\$22,945	\$34,046	\$32,650
Utilities	\$0	\$0	
Lease Expense, Parking Facilities	\$1,850	\$2,949	\$2,794
Contractual Services	\$0	\$25	\$26
Supplies and Materials	\$0	\$0	
Equipment	\$0	\$0	
Fixed Charges, Rent	\$1,235	\$2,250	\$1,609
Administrative Expenses	\$41,822	\$41,098	\$33,763
Total Expenditures	\$322,903	\$351,275	\$303,871
Net Revenue for Fiscal Year	(\$276,221)	\$35,368	(\$105,666)
Special Fund Balance Carried Forward	\$72,246	\$107,614	\$1,949

Special Fund – Mortgage Originators
Fiscal Years Ending June 30

REVENUE	FY 2011	FY 2012	FY 2013
Mortgage Licensing Fees	\$3,148,318	\$3,399,922	\$4,485,925
Mortgage Examination Fees	\$266,167	\$329,736	\$255,847
Interest on Fund Balance	\$2,694		
Miscellaneous Income/Other	\$16,282	(\$32,942)	\$244,148
Total Revenue	\$3,433,461	\$3,696,716	\$4,985,920

EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$2,013,874	\$2,316,320	\$1,800,995
Technical and Special Fees	\$161,061	\$116,091	\$88,612
Communication	\$32,008	\$35,803	\$26,509
Travel/Training	\$21,810	\$24,878	\$34,172
Lease Expense, Parking Facilities	\$34,997	\$31,367	\$25,641
Contractual Services	\$223,568	\$137,456	\$231,164
Supplies and Materials	\$30,721	\$20,340	\$40,613
Equipment	\$0	\$12,971	\$58,858
Fixed Charges, Rent	\$173,338	\$149,584	\$157,512
Administrative Expenses	\$429,857	\$430,315	\$300,836
Total Expenditures	\$3,121,234	\$3,275,125	\$2,764,913

Net Revenue for Fiscal Year	\$312,227	\$421,591	\$2,221,007
Special Fund Balance Carried Forward	\$934,624	\$1,356,215	\$3,577,222

**Special Fund - Mortgage Foreclosure Mediation
Fiscal Years Ending June 30th**

REVENUE	FY 2011	FY 2012	FY 2013
Miscellaneous Income/Other (Reimbursed)	\$166,232	\$208,465	\$116,956
Total Revenue	\$166,232	\$208,465	\$116,956
EXPENDITURES	FY 2011	FY 2012	FY 2013
Salaries and Benefits	\$0	\$0	\$0
Technical and Special Fees	\$48,063	\$74,112	\$41,991
Communication	\$34,948	\$72,917	\$53,502
Travel/Training	\$781	\$1,227	\$1,876
Lease Expense, Parking Facilities	\$0	\$0	\$0
Contractual Services	\$82,429	\$59,730	\$19,480
Supplies and Materials	\$11	\$0	\$0
Equipment	\$0	\$0	\$0
Fixed Charges, Rent	\$0	\$479	\$107
Administrative Expenses			
Total Expenditures	\$166,232	\$208,465	\$116,956
Net Revenue for Fiscal Year	\$0	\$0	\$0
Special Fund Balance Carried Forward	\$0	\$0	\$0

**Federal Mortgage Fraud Grant
Fiscal Years Ending June 30th**

REVENUE	FY 2012	FY 2013
Miscellaneous Income/Other-Grant Revenue	\$325,029	\$179,714
Total Revenue	\$325,029	\$179,714
EXPENDITURES	FY 2012	FY 2013
Salaries and Benefits	\$216,797	\$132,266
Technical and Special Fees	\$86,671	\$20,924
Communication	\$1,400	\$1,244
Travel/Training	\$10,812	\$798
Utilities	\$245	\$0
Lease Expense, Parking Facilities	\$61	\$1,386
Contractual Services	\$1,682	\$4,444
Supplies and Materials	\$4,241	\$119
Equipment	\$0	\$18,359
Fixed Charges, Rent	\$3,120	\$174
Total Expenditures	\$325,029	\$179,714
Net Revenue for Fiscal Year	\$0	(\$0)
Special Fund Balance Carried Forward		\$0

**Special Fund – Foreclosed Property Registry
Fiscal Years Ending June 30th**

REVENUE	FY 2012	FY 2013
Foreclosure Registrations		\$235,100
Miscellaneous Income/Other		\$19
Total Revenue	\$0	\$235,119
EXPENDITURES	FY 2012	FY 2013
Salaries and Benefits	\$0	\$49,617
Technical and Special Fees	\$0	\$0
Communication	\$0	\$218
Travel/Training	\$0	\$0
Utilities	\$0	\$0
Lease Expense, Parking Facilities	\$0	\$0
Contractual Services	\$0	\$59,012
Supplies and Materials	\$0	\$528
Equipment	\$0	\$0
Fixed Charges, Rent	\$0	\$2,016
Total Expenditures	\$0	\$111,390
Net Revenue for Fiscal Year	\$0	\$123,729
Special Fund Balance Carried Forward	\$0	\$123,729

MANAGEMENT ORGANIZATION CHART

Office of the Commissioner of Financial Regulation As of December 31, 2013

Mark A. Kaufman
Commissioner

Gordon M. Cooley
Deputy Commissioner

Cynthia H. Jones
Assistant Commissioner
Enforcement and Complaints

Teresa M. Louro
Assistant Commissioner
Bank Supervision

Joseph E. Rooney
Assistant Commissioner
Administration and Credit Union Supervision

Marcia A. Ryan
Assistant Commissioner
Depository Corporate Activities

Keisha L. Whitehall Wolfe
Assistant Commissioner
Non-Depository Supervision

Michael J. Jackson
Director
Regulatory Policy

Juan Sempertegui
Director
Licensing Unit

Brian Weeks
Assistant Attorney General
Foreclosure Supervision

Sabrina Brown
Supervisor Non-
Mortgage
Compliance Unit

Raphael Simmons
Supervisor
Consumer Services
Unit

Calvin Wink
Supervisor
Enforcement Unit

Richard Younger
Supervisor
Mortgage
Compliance Unit

BOARDS

As of July 1, 2013

Maryland Banking Board

The Maryland General Assembly passed Chapter 332 of the Laws of Maryland which repealed the Banking Board effective July 1, 2011.

Maryland Collection Agency Licensing Board

The Maryland Collection Agency Licensing Board has statutory responsibility for the licensing of collection agencies operating in Maryland. The Governor, with the consent of the Senate, appoints the four-member board, consisting of two consumer representatives and two industry representatives. The Commissioner serves as Chairman. The Board addresses written complaints, conducts hearings on alleged violations, mediates disputes, and issues orders requiring licensees to correct violations. The Board informs both licensees and the public about abusive debt collection practices.

Board Members

Mark A. Kaufman
Chairman

Stephen Hannan
Consumer Member

Susan Hayes
Industry Member

Eric Friedman
Consumer Member

Joanne Young
Industry Member

HISTORICAL LIST OF COMMISISONERS

As of December 31, 2013

NAME	FROM	TO
Mark A. Kaufman	2010	Present
Sarah Bloom Raskin	2007	2010
Charles W. Turnbaugh	2003	2007
Mary Louise Preis	1999	2003
H. Robert Hergenroeder *	1996	1999
Margie H. Muller	1983	1996
Joseph R. Crouse	1980	1983
W. H. Holden Gibbs	1978	1980
William L. Wilson	1971	1978
William A. Graham	1967	1971
Herbert R. O'Connor, Jr.	1963	1967
W. R. Milford	1960	1963
William F. Hilgenberg	1959	1959
William H. Kirkwood, Jr.	1951	1959
Joseph P. Healy	1950	1951
J. Millard Tawes	1947	1950
John W. Downing	1939	1947
Warren F. Sterling	1935	1939
John J. Ghingher	1933	1935
George W. Page	1919	1933
J. Dukes Downs	1910	1919

(*) In 1996, the Bank Commissioner's Office was merged by statute with the Office of Consumer Credit, resulting in the change of title from Bank Commissioner to Commissioner of Financial Regulation.

HISTORICAL LIST OF DEPUTY COMMISSISONERS

As of December 31, 2013

NAME	FROM	TO
Gordon M. Cooley	2013	Present
Anne Balcer Norton	2010	2013
Mark A. Kaufman	2008	2010
Joseph E. Rooney	2003	2008
Nerry L. Mitchell	1999	2003
William L. Foster **	1996	1999
David M. Porter	1993	1996
Henry L. Bryson	1987	1993
Charles R. Georgius	1979	1986
Charles A. Knott, Jr.	1977	1979
Albert E. Clark	1972	1977
H. Sadtler Nolen	1967	1972
John D. Hospelhorn	1923	1967
John J. Ghingher	1919	1923
George W. Page	1912	1919
John C. Motter	1910	1912

(**) In 1996, the Bank Commissioner's Office was merged by statute with the Office of Consumer Credit, resulting in the change of title from Deputy Bank Commissioner to Deputy Commissioner of Financial Regulation.