

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, 2008



Presented to:

MARTIN J. O'MALLEY
GOVERNOR

ANTHONY G. BROWN
LIEUTENANT GOVERNOR

SARAH BLOOM RASKIN
COMMISSIONER

MARK A. KAUFMAN
DEPUTY COMMISSIONER

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

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DEPOSITORY SUPERVISION

Banks, Trust Companies and Credit Unions Annual Overview

Teresa M. Louro, Assistant Commissioner

Maryland's banking industry remains sound despite the weakened credit environment and economic downturn. Overall, Maryland's state-chartered banks have weathered the challenges and changes in the financial environment as a result of their conservative practices and risk management. The Commissioner's Office supervises the safety and soundness of Maryland's state-chartered banks through on-site examinations and our quarterly off-site monitoring program.

In fiscal year 2008, total assets of Maryland's banking institutions decreased by \$13 billion, to a total of \$29 billion as a result of last year's acquisition of Mercantile by PNC. Despite the overall decline in assets, total balance sheet assets of existing state-chartered banks have increased with steady loan growth. The softening of the real estate market has taken a toll on our banks as the levels of noncurrent loans and other nonperforming assets increased, primarily due to problems with subprime mortgages, and concentrations in commercial real estate, and acquisition, development and construction loans. These noncurrent loans rose to 1.61% of total loans, up from 0.77%, while nonperforming assets more than doubled to 1.40% from 0.61% at the end of the previous fiscal year. Net charge-offs to loans also doubled to 0.29% from 0.14%. Meanwhile, loan loss reserves equal 1.16% of total loans; however, the level of nonperforming loans exceeds reserves by 1.74 times.

Total deposits increased modestly by approximately 3.74%. Loans were primarily

funded by deposits at a rate of 100.47%, still indicating the need to draw on outside liquidity sources, mainly Federal Home Loan Bank ("FHLB") advances. Since the previous fiscal year, reliance on FHLB advances increased by 34% and is expected to increase along with other available funding sources. In addition, brokered deposits usage grew by 15% for the same time period, with the expectation that their dependence will deepen in the next fiscal year.

With the volatile interest rate environment, the net interest margin declined from 3.96% to 3.71% during fiscal year 2008. The return on average assets declined significantly from 1.16% to 0.47% over the same time period. A good portion of our banks are more reliant upon higher cost funding due to aggressive competition for deposits. Also, the levels of noncurrent and nonperforming loans resulted in higher provisions and less interest income.

Capital levels dropped throughout the year with an aggregate total risk-based capital ratio of 12.15%; a 50 basis points decline from the previous year. The downward trend is attributed to the downturn in the real estate market fueling the deterioration in asset quality. The ratio of equity capital to total assets dropped to 9.29% by fiscal year's end.

The Commissioner's Office currently monitors state-chartered banks for concentrations in their commercial real estate and acquisition, development and construction

loan portfolios, capital levels, and liquidity positions. Working closely with the federal regulatory agencies, we continue to conduct targeted visitations to monitor those areas of concern, and any other weakening areas identified through our off-site monitoring program. We reach out to our institutions in various ways including on-site visits, attending their board of directors meetings, and discussing activities, incidents and events in the financial market that may impact them.

Our office, along with the federal regulators, holds weekly teleconferences with specific banks to monitor their financial positions.

The Commissioner's Office also examines and supervises nine state-chartered credit unions, five trust companies, Anne Arundel Economic Development Corporation, and American Share Insurance Corporation ("ASI"). Each institution receives an annual on-site examination, supplemented by our quarterly off-site monitoring program.

The financial condition of Maryland's credit union industry remains sound. Loans, shares, and net worth all increased in fiscal year 2008, as assets grew \$210 million to a total of \$3.5 billion. The net worth of state-chartered

credit unions represents 11.93% of total assets, which is slightly higher than the 11.04% average for all federally insured credit unions. While net interest margins remain typically low, credit unions continue to achieve overall favorable operating results, reflected in an annualized return on assets of 0.75%, which is higher than the 0.52% average for all federally insured credit unions.

State-chartered trust companies continue to operate in a safe and sound manner, although experiencing a 19% decrease in assets under management from \$228 billion to \$184 billion in fiscal 2008. The decline is attributed to the difficult conditions facing financial institutions in today's weakened credit environment and the volatility in the U.S. and global stock markets.

Fiscal year 2009 will certainly be more challenging for our state-chartered institutions. The turbulent financial environment along with a stagnant real estate market will further test risk management practices and business strategies. This environment may also result in an increase of mergers and acquisitions.

Consolidated Statement of Financial Condition
State Chartered Banks
As of June 30, 2008
(in thousands)

ASSETS

Cash & Balances Due From Depository Institutions:	
Non-Interest Bearing & Currency and Coin	\$662,350
Interest Bearing Balances	\$132,879
Securities	\$4,415,664
Federal Funds Sold and Securities Purchased Under Agreements to Sell	\$364,560
Loans and Leases, Net of Unearned Income	\$21,881,597
(Allowance for Loan and Lease Losses)	(\$253,494)
Trading Assets	\$34,183
Premises and Fixed Assets (including capitalized leases)	\$411,529
Other Real Estate Owned	\$89,268
Intangible Assets	\$366,224
Other Assets	\$1,276,831
<i>Total Assets</i>	\$29,381,591

LIABILITIES

Deposits:	
In Domestic Offices	\$21,779,040
In Foreign Offices	\$0
Federal Funds Purchased & Securities Sold Under Repurchase Agreements	\$1,268,045
Trading Liabilities	\$0
Other Borrower Money	\$3,405,753
Other Liabilities	\$199,757
<i>Total Liabilities</i>	\$26,652,595

EQUITY CAPITAL

Perpetual Preferred Stock	\$0
Common Stock	\$255,784
Surplus	\$1,559,735
Undivided Profits and Capital Reserves	\$913,477
<i>Total Equity Capital</i>	\$2,728,996
<i>Total Liabilities and Equity</i>	\$29,381,591

**Ratios from Consolidated Statement of Financial Condition
All State-Chartered Banks
For Fiscal Years 2006 — 2008**

Period Ending June 30:	2008	2007	2006
Total Capital/Reserves to Total Assets	9.29%	10.61%	10.47%
Total Capital to Total Deposits	12.53%	14.69%	14.17%
Total Loans to Total Assets	74.47%	69.77%	69.21%
Loan Valuation Res to Total Loans (Gross)	1.18%	1.06%	1.12%
Total Loans to Total Deposits	98.82%	96.65%	93.71%
Return on Assets	.47%	1.16%	1.31%
Increase in Loans	-25.58%	7.22%	7.55%
Increase in Total Assets	-30.27%	6.35%	6.62%

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

Year	Total Assets	Total Loans	Securities	Total Deposits	Total Capital
2007	\$42,139,079	\$29,403,517	\$7,216,069	\$30,421,947	\$4,469,387
2006	\$39,619,518	\$27,115,636	\$7,627,391	\$29,262,128	\$4,147,295
2005	\$37,159,487	\$25,497,448	\$7,660,557	\$27,542,622	\$3,711,691
2004	\$33,337,923	\$22,129,584	\$7,918,866	\$25,046,174	\$3,002,066

**Trust Assets Reported by State-Chartered Trust Companies
for Fiscal Year Ending June 30, 2008**
(in thousands)

Full Service Trust Companies	Managed	Non-Managed	Custodial	Total
First United Bank & Trust	\$468,830	\$52,906	\$2,572	\$524,308
Sandy Spring Bank	\$478,778	\$66,920	\$70,914	\$616,612

Total Assets – Full Service	\$947,608	\$119,826	\$73,486	\$1,140,920
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Non-Depository Trust Companies	Managed	Non-Managed	Custodial	Total
Brown Investment Advisory and Trust Co.	\$5,519,949	\$192,943	\$529,279	\$6,242,171
NewTower Trust Company	\$7,871,664	\$0	\$0	\$7,871,664
Old Mutual Asset Management Trust Co.	\$34,428,962	\$282,546	\$0	\$34,711,508
Securities Finance Trust Company	\$2,309,537	\$0	\$0	\$2,309,537
T. Rowe Price Trust Company	\$18,706,277	\$113,433,126	\$0	\$132,139,403

Total Assets – Non-Depository	\$68,836,389	\$113,908,615	\$529,279	\$183,274,283
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Grand Total – Assets Full Service and Non-Depository	\$69,783,997	\$114,028,441	\$602,765	\$184,415,203
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State Chartered Credit Unions
Consolidated Statement of Financial Condition
(in thousands)

Comparative Figures for Year Ending:	June 30, 2008	June 30, 2007	% Change
ASSETS			
Cash.....	\$241,764	\$199,759	21.0%
Investments.....	\$761,754	\$723,791	5.2%
Loans & Leases.....	\$2,362,006	\$2,245,600	5.2%
Allowance for Loans & Leases (ALLL).....	(\$16,702)	(\$13,955)	19.7%
Premises and Fixed Assets.....	\$53,952	\$48,047	12.3%
Other Assets.....	\$110,116	\$99,599	10.6%
Total Assets.....	\$3,512,890	\$3,302,841	6.4%
LIABILITIES			
Members' Shares & Deposits.....	\$3,043,152	\$2,837,274	7.3%
Borrowings.....	\$16,300	\$30,789	(47.1%)
Other Liabilities.....	\$34,217	\$30,954	10.5%
Total Liabilities.....	\$3,093,669	\$2,899,017	6.7%
EQUITY / NET WORTH	\$419,221	\$403,824	3.8%
Total Liabilities and Equity..	\$3,512,890	\$3,302,841	6.4%

Additional Information – As of June 30	2008	2007
Net Worth to Total Assets	11.93%	12.23%
Net Worth to Members' Shares & Deposits	13.78%	14.23%
Total Loans to Total Assets	67.24%	67.99%
Total Loans to Members' Shares & Deposits	77.62%	79.15%
ALLL to Total Loans	0.71%	0.62%
Return on Assets (annualized)	0.75%	1.17%

Consolidated Statement of Condition of State-Chartered Credit Unions

As of June 30, 2008

(in thousands)

	Total Assets	Total Loans	Shares & Deposits	Total Capital
ASI Private Share Insurance				
Fort Meade Community Credit Union	\$26,399	\$9,561	\$23,677	\$2,498
Post Office Credit Union of Maryland, Inc.	\$35,003	\$5,246	\$26,578	\$8,401
U.S. Coast Guard Community Credit Union	\$33,607	\$18,865	\$30,433	\$3,090
Federal Share Insurance				
Central Credit Union of Maryland, Inc.	\$19,591	\$15,581	\$16,685	\$2,862
Destinations Credit Union	\$45,160	\$31,414	\$37,157	\$7,635
Members First Credit Union	\$32,727	\$10,266	\$26,685	\$5,776
Municipal Employees Credit Union	\$876,878	\$622,350	\$738,749	\$108,743
Point Breeze Credit Union	\$649,644	\$272,963	\$569,170	\$72,558
State Employees Credit Union of MD	\$1,793,881	\$1,375,760	\$1,574,018	\$207,658
TOTAL FOR ALL STATE CHARTERED CREDIT UNIONS	\$3,512,890	\$2,362,006	\$3,043,152	\$419,221

Prior Period End Totals

As of June 30

(in thousands)

Year	Total Assets	Total Loans	Shares & Deposits	Total Capital
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
2004	\$2,964,498	\$1,640,845	\$2,648,385	\$299,229
2003	\$2,860,709	\$1,510,146	\$2,566,593	\$275,840
2002	\$2,535,822	\$1,421,939	\$2,272,527	\$247,665
2001	\$2,207,544	\$1,273,600	\$1,965,079	\$224,440

DEPOSITORY CORPORATE ACTIVITIES

Corporate Applications Annual Overview

Marcia A. Ryan, Assistant Commissioner

The Commissioner's Office began the fiscal year with regulatory responsibility for fifty-six State-chartered banks, with combined assets of \$42.1 billion and a total of 735 branches. By the end of fiscal year 2008, the total number of Maryland chartered banks had decreased to fifty-one. Total bank assets decreased by 30% from the prior year, following the mergers of the seven Mercantile affiliated banks into PNC Bank in September 2007. As of June 30, 2008, Maryland banks had combined assets of \$29.4 billion, were operating a total of 591 branches, and employed more than 7,522 individuals.

The Commissioner's Office also has regulatory responsibility for five Maryland-chartered non-depository trust companies, with more than \$184 billion in trust assets; nine State-chartered credit unions, with combined assets of more than \$3.5 billion; and one 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 and/or to expand their business activities. The most significant change to the structure of Maryland's state banking industry resulted from the mergers of the seven affiliated Mercantile banks into Pittsburgh-based PNC Bank. (Mercantile Bankshares, the former parent company of these banks had been acquired by PNC Financial Services Group earlier in 2007.)

During the 2008 fiscal year, the Corporate

Activities group worked on applications for three new bank charters, eleven bank mergers and acquisitions, twelve bank affiliates, and 29 new branches and ATMs. We also approved 22 representative office permits to out-of-state banking corporations, and acted on a wide range of other corporate applications received from Maryland-chartered banks, trust companies, and credit unions, as well as from various financial institutions chartered or licensed by other states that conduct business in Maryland.

The Commissioner's Office worked very closely with two de novo bank groups as they each successfully worked through the rigorous process of chartering a new bank. The first was Revere Bank, located in Laurel, Maryland. After raising more than \$19 million in capital, the Bank opened for business in November 2007. Blue Ridge Bank, located in Frederick, Maryland, raised \$18 million in start-up capital and opened for business in April 2008. Despite the current economic contraction, both banks got off to strong starts.

The serious problems that erupted in the U.S. banking industry in 2008 have impacted Maryland banks as well. As a result, the application activity has slowed considerably. As is the case throughout the U.S., we have seen a significant reduction in activity regarding proposals for de novo bank charters and we expect that to continue throughout most, if not all of 2009.

BANKS, CREDIT UNIONS and TRUST COMPANIES
Activity on Select Applications
July 1, 2007 through June 30, 2008

NEW CHARTERS

Institution Name	Location of Main Office	Approval Date
<i>REVERE BANK</i> Commercial Bank	Laurel, MD	10/30/07
<i>BLUE RIDGE BANK</i> Commercial Bank	Frederick, MD	04/11/08
<i>USBC BANK</i> Limited Purpose Bank	Rockville, MD	Withdrawn

MERGERS and ACQUISITIONS

Surviving Institution Principal Location	Merged/Acquired Institution Principal Location	Approval Date
<i>BRADFORD BANK*</i> Baltimore, MD	The Patapsco Bank Dundalk, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	Mercantile-Safe Deposit and Trust Co. Baltimore, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	The Annapolis Banking & Trust Co. Annapolis, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	Farmers & Mechanics Bank Frederick, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	Mercantile County Bank Elkton, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	Mercantile Eastern Shore Bank Chestertown, MD	09/04/07
<i>PNC BANK</i> Pittsburgh, PA	Mercantile Southern Maryland Bank Leonardtown, MD	09/04/07

(*Merger was approved, but never consummated.)

<i>PNC BANK</i> Pittsburgh, PA	Westminster Union Bank Westminster, MD	09/04/07
<i>EAGLEBANK</i> Pending Bethesda, MD	Fidelity and Trust Bank Bethesda, MD	
<i>EAGLEBANCORP, INC.</i> Bethesda, MD	Fidelity and Trust Financial Corp. Bethesda, MD	Pending

AFFILIATES

Parent Co. Principal Location	Affiliate	Approval Date
<i>BROWN INVESTMENT ADVISORY & TRUST CO.</i> Baltimore, MD	Beaty Haynes & Associates, Inc.	07/31/07
<i>KBANK</i> Owings Mills, MD	Claire's Lane Trust	07/31/07
<i>KBANK</i> Owings Mills, MD	K Capital Resolution Trust II	07/31/07
<i>KBANK</i> Owings Mills, MD	Hughes Lane Trust	07/31/07
<i>KBANK</i> Owings Mills, MD	KW Servicing Trust II	07/31/07
<i>FIRST MARINER BANK</i> Baltimore, MD	Mariner Finance of VA, LLC	09/21/07
<i>DAMASCUS COMMUNITY BANK</i> Damascus, MD	Chesapeake Industrial Leasing, LLC	10/31/07
<i>FIRST MARINER BANK</i> Baltimore, MD	Compass Properties, LLC	12/13/07
<i>HOWARD BANK</i> Ellicott City, MD	University Boulevard I, LLC	03/21/08
<i>HOWARD BANK</i> Ellicott City, MD	University Boulevard II, LLC	03/21/08
<i>NBRS FINANCIAL</i> Rising Sun, MD	6 Pearl Street, LLC	04/30/08
<i>EAGLEBANK</i> Bethesda, MD	Fidelity & Trust Mortgage, Inc.	Pending

MISCELLANEOUS

<u>Institution Name</u>	<u>Application Filed</u>	<u>Approval Date</u>
<i>FIRST CITIZENS BANK (NC)</i>	To act as escrow depository for certain real estate transactions for benefit of the Maryland Affordable Housing Trust	07/27/07
<i>COUNTRYWIDE BANK, FSB (CA)</i>	To act as escrow depository for certain real estate transactions for benefit of the Maryland Affordable Housing Trust	07/31/07
<i>SECURITIES FINANCE TRUST CO.</i>	To refinance acquisition indebtedness	08/14/07
<i>FARMERS AND MERCHANTS BANK</i>	To repurchase capital stock	08/22/07
<i>NEWTOWER TRUST COMPANY</i>	For change and control of trust company	12/11/07
<i>SUSQUEHANNA BANK</i>	To issue and sell subordinated debt	12/20/07
<i>DESTINATIONS CREDIT UNION</i>	For waiver of 6% limit on amount of fixed assets held by credit union	02/12/08
<i>MEMBERS FIRST CREDIT UNION</i>	Amended bylaws	02/21/08
<i>PROVIDENT BANK of MARYLAND</i>	To issue and sell subordinated debt	03/21/08
<i>DESTINATIONS CREDIT UNION</i>	Amended bylaws	06/23/08

BRANCH APPROVALS & CLOSINGS – STATE BANKS and CREDIT UNIONS

Bank Name	Main Office	Approved	Closed
<i>BANKANNAPOLIS</i>	Towson	1	0
<i>CARROLLTON BANK</i>	Baltimore	0	2
<i>CECIL BANK</i>	Elkton	1	0
<i>EASTON BANK & TRUST COMPANY</i>	Easton	1	0
<i>FIRST MARINER BANK</i>	Baltimore	0	3
<i>FIRST UNITED BANK AND TRUST</i>	Oakland	2	0
<i>HARBOR BANK OF MARYLAND, THE</i>	Baltimore	1	1
<i>HARVEST BANK OF MARYLAND</i>	Rockville	1	0
<i>HOWARD BANK</i>	Ellicott City	1	0
<i>MIDDLETOWN VALLEY BANK</i>	Middletown	1	0
<i>NBRFS FINANCIAL BANK</i>	Rising Sun	1	0
<i>OLD LINE BANK</i>	Bowie	3	0
<i>PROVIDENT BANK OF MARYLAND</i>	Baltimore	2	5
<i>QUEENSTOWN BANK OF MARYLAND, THE</i>	Queenstown	0	3
<i>SANDY SPRING BANK</i>	Olney	0	1
<i>STATE EMPLOYEES CREDIT UNION OF MD</i>	Linthicum	2	0
<i>SUSQUEHANNA BANK</i>	Hagerstown	8	1
<i>TALBOT BANK, THE</i>	Easton	1	1

Total Branches Approved = 26
Total Branches Closed = 17

ATM APPROVALS & CLOSINGS — STATE BANKS and CREDIT UNIONS

Bank Name	Main Office	Approved	Closed
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<i>MERCANTILE-SAFE DEPOSIT AND TRUST CO.</i>	Baltimore	0	1
<i>MECU OF BALTIMORE, INC.</i>	Baltimore	1	0
<i>SUSQUEHANNA BANK</i>	Hagerstown	2	1
<i>TALBOT BANK, THE</i>	Easton	0	1

Total ATMs Approved = 3
Total ATMs Closed = 3

**STATE-CHARTERED
COMMERCIAL BANKS and SAVINGS BANKS**

As of June 30, 2008

Bank Name	Principal Location	Total Assets (in thousands)	No. of Branches	CRA Rating
AmericasBank	Towson	\$152,415	3	Satisfactory
Bank of Glen Burnie, The	Glen Burnie	\$319,043	8	Satisfactory
Bank of Ocean City	Ocean City	\$137,790	6	Satisfactory
Bank of the Eastern Shore	Cambridge	\$229,932	2	Satisfactory
BankAnnapolis	Annapolis	\$374,859	7	Satisfactory
Blue Ridge Bank	Frederick	\$27,398	1	New Bank
Calvin B. Taylor Banking Company	Berlin	\$357,835	10	Satisfactory
Carrollton Bank	Baltimore	\$385,548	12	Satisfactory
Cecil Bank	Elkton	\$434,312	11	Outstanding
Chesapeake Bank and Trust Company	Chestertown	\$89,688	2	Satisfactory
Columbia Bank, The	Columbia	\$1,810,848	29	Satisfactory
CommerceFirst Bank	Annapolis	\$161,379	5	Satisfactory
Community Bank of Tri-County	Waldorf	\$643,022	10	Satisfactory
Congressional Bank	Potomac	\$174,397	4	Satisfactory
County First Bank	LaPlata	\$160,760	7	Satisfactory
Damascus Community Bank	Damascus	\$170,864	5	Satisfactory
EagleBank	Bethesda	\$911,234	16	Satisfactory
Easton Bank & Trust Company	Easton	\$150,428	7	Satisfactory
Farmers and Merchants Bank	Upperco	\$174,638	7	Satisfactory
Farmers Bank of Willards, The	Willards	\$282,243	7	Satisfactory
Fidelity & Trust Bank	Bethesda	\$461,029	5	Satisfactory
First Mariner Bank	Baltimore	\$1,178,506	27	Needs to Improve
First United Bank and Trust	Oakland	\$1,579,147	25	Satisfactory
Frederick County Bank	Frederick	\$262,003	4	Satisfactory
Glen Burnie Mutual Savings Bank, The	Glen Burnie	\$65,021	1	Satisfactory
Hagerstown Trust Company	Hagerstown	\$494,393	11	Satisfactory
Harbor Bank of Maryland, The	Baltimore	\$287,896	7	Outstanding
Harford Bank	Aberdeen	\$224,252	7	Satisfactory
HarVest Bank of Maryland	Rockville	\$205,045	4	Satisfactory
Hebron Savings Bank	Hebron	\$427,079	10	Satisfactory
Howard Bank	Ellicott City	\$214,181	4	Satisfactory
K Bank	Randallstown	\$657,086	8	Satisfactory

Maryland Financial Bank	Towson	\$65,792	1	N/A
Middletown Valley Bank	Middletown	\$148,291	5	Satisfactory
Monument Bank	Bethesda	\$150,609	1	Satisfactory
NBRS Financial	Rising Sun	\$225,464	8	Satisfactory
New Windsor State Bank	New Windsor	\$211,164	6	Satisfactory
Old Line Bank	Bowie	\$268,195	7	Satisfactory
Patapsco Bank, The	Baltimore	\$259,817	6	Satisfactory
Peoples Bank, The	Chestertown	\$252,998	6	Outstanding
Peoples Bank of Elkton, The	Elkton	\$122,518	2	Outstanding
Provident Bank of Maryland	Baltimore	\$6,166,361	142	Satisfactory
Provident State Bank, Inc.	Preston	\$240,394	9	Satisfactory
Queenstown Bank of Maryland, The	Queenstown	\$396,530	6	Satisfactory
Regal Bank and Trust	Owings Mills	\$166,814	3	Satisfactory
Revere Bank	Laurel	\$43,097	1	New Bank
Saint Casimirs Savings Bank	Baltimore	\$106,009	4	Non-Compliance
Sandy Spring Bank	Olney	\$3,158,673	43	Satisfactory
Susquehanna Bank	Hagerstown	\$3,416,683	56	Outstanding
Talbot Bank, The	Easton	\$590,609	6	Satisfactory
Woodsboro Bank	Woodsboro	\$187,302	7	Satisfactory

Total Number of State Banks: 51
Total Branches: 591
Total Employees: 7,522
Total Assets: \$29,381,591

STATE-CHARTERED CREDIT UNIONS

As of June 30, 2008

Credit Union Name	Principal Location	Total Assets (in thousands)	Field of Membership Type
Central Credit Union of Maryland	Baltimore	\$18,639	Multiple Common Bond
Destinations Credit Union	Baltimore	\$44,228	Multiple Common Bond
Fort Meade Community Credit Union	Fort Meade	\$26,351	Community Common Bond
Members First Credit Union	Baltimore	\$31,982	Multiple Common Bond
Municipal Employees Credit Union	Baltimore	\$862,086	Multiple Common Bond
Point Breeze Credit Union	Hunt Valley	\$627,613	Multiple Common Bond
Post Office Credit Union of MD	Baltimore	\$41,218	Single Common Bond
State Employees Credit Union of MD	Linthicum	\$1,840,354	Multiple Common Bond
U.S. Coast Guard Community Credit Union	Baltimore	\$30,640	Community Common Bond

Total Number of State Credit Union:	9
Total Branches:	35
Total Employees:	981
Total Assets:	\$3,523,111

STATE-CHARTERED NON-DEPOSITORY TRUST COMPANIES

As of June 30, 2008

Trust Company Name	Principal Location	Trust/Fiduciary Business Purpose
Brown Investment Advisory and Trust Co.	Baltimore	Investment Advisory Services
NewTower Trust Company	Bethesda	Trustee for Multi-Employer Property Trust
Old Mutual Asset Management Trust Company	Baltimore	Trust Administrative Services
Securities Finance Trust Company	Baltimore	Securities Lending
T. Rowe Price Trust Company	Baltimore	Investment Management

**National Banks, Federal Savings Banks and
Other-State Banks
Operating Branches in Maryland**

As of June 30, 2008

National Banks	Principal Location	Branches in Maryland	Total Assets (in thousands)
Adams National Bank	Washington, DC	1	\$355,809
Asia Bank, N.A.	Flushing, NY	1	\$404,185
Bank of America, N.A.	Charlotte, NC	195	\$1,327,429,079
Bay National Bank	Baltimore, MD	2	\$275,751
BLC Bank, N.A.	Strasburg, PA	10	\$3,653,747
Capital Bank, N.A.	Rockville, MD	2	\$193,626
Centreville National Bank of Maryland, The	Centreville, MD	9	\$315,900
Citibank, N.A.	Las Vegas, NV	16	\$1,228,445,000
First National Bank of Greencastle, The	Greencastle, PA	3	\$534,872
HSBC National Bank, USA	Bethesda, MD	2	\$429,142
Legg Mason Investment Counsel & Trust, NA	Baltimore, MD	1	\$107,534
Maryland Bank and Trust Company, N.A.	Lexington Park, MD	11	\$297,938
Mellon Bank, N.A.	Pittsburgh, PA	1	\$27,221,684
National Bank of Cambridge, The	Cambridge, MD	3	\$226,490
National Penn Bank	Boyertown, PA	1	\$9,028,303
PNC Bank, N.A.	Pittsburgh, PA	208	\$128,348,405
TD Bank, N.A.	Wilmington, DE	8	\$98,855,014
Wachovia Bank, N.A.	Charlotte, NC	85	\$670,639,000
Woodforest National Bank	Houston, TX	8	\$2,686,801

Federal Savings Banks / S&Ls	Principal Location	Branches in Maryland	Total Assets (in thousands)
Advance Bank	Baltimore, MD	3	\$72,280
American Bank	Silver Spring, MD	3	\$504,557
Arundel Federal Savings Bank, FSB	Baltimore, MD	6	\$423,535
Baltimore County Savings Bank, FSB	Baltimore, MD	18	\$591,160
Bay-Vanguard Federal Savings Bank	Baltimore, MD	5	\$164,027
Bradford Bank	Baltimore, MD	9	\$525,467
Chesapeake Bank of Maryland	Baltimore, MD	6	\$214,265
Colombo Bank	Rockville, MD	4	\$143,286
Community First Bank	Pikesville, MD	1	\$66,411

Eastern Savings Bank, FSB	Hunt Valley, MD	5	\$1,115,502
Fairmount Federal Savings Bank	Baltimore, MD	1	\$53,244
First Shore Federal Savings & Loan Assoc.	Salisbury, MD	7	\$291,671
Fraternity Federal Savings & Loan Assoc.	Baltimore, MD	3	\$166,532
Fullerton Federal Savings Association	Baltimore, MD	1	\$9,816
Greater Atlantic Bank	Reston, VA	1	\$221,494
Hamilton Federal Bank	Baltimore, MD	4	\$221,899
Homewood Federal Savings Bank	Baltimore, MD	1	\$68,647
Hopkins Federal Savings Bank	Baltimore, MD	2	\$268,320
Hull Federal Savings Bank	Baltimore, MD	1	\$20,628
Ideal Federal Savings Bank	Baltimore, MD	1	\$7,479
Independence Federal Savings Bank	Washington, DC	2	\$142,538
Jarrettsville Federal Savings & Loan Assoc.	Jarrettsville, MD	1	\$77,134
Kopernik Federal Bank	Baltimore, MD	1	\$30,679
Kosciusko Federal Savings Bank	Baltimore, MD	1	\$12,802
Liberty Federal Savings & Loan Association	Baltimore, MD	3	\$52,111
Madison Bohemian Savings Bank	Forest Hill, MD	5	\$190,182
Madison Square Federal Savings Bank	Baltimore, MD	4	\$120,899
Midstate Federal Savings & Loan Assoc.	Baltimore, MD	1	\$136,992
North Arundel Savings Bank, FSB	Pasadena, MD	1	\$29,375
OBA Federal Savings Bank	Germantown, MD	3	\$354,194
Presidential Bank, FSB	Bethesda, MD	2	\$556,034
Prince George's Federal Savings Bank	Upper Marlboro, MD	3	\$92,377
Rosedale Federal Savings & Loan Assoc.	Baltimore, MD	8	\$606,745
Severn Savings Bank, FSB	Annapolis, MD	4	\$951,585
Slavie Federal Savings Bank	Bel Air, MD	2	\$177,802
Sovereign Bank	Wyomissing, PA	13	\$79,189,002
Suburban Federal Savings Bank	Crofton, MD	7	\$364,427
Sykesville Federal Savings Association	Sykesville, MD	2	\$89,208
T. Rowe Price Savings Bank	Baltimore, MD	1	\$128,300
United Medical Bank, FSB	Rockville, MD	2	\$240,435
Urban Trust Bank	Orlando, FL	1	\$117,633
Vigilant Federal Savings Bank	Baltimore, MD	1	\$54,838
Washington Savings Bank, FSB	Bowie, MD	5	\$444,856
Waterfield Bank	Germantown, MD	2	\$286,547
Wilmington Trust, FSB	Baltimore, MD	1	\$971,376

Banks Chartered by Other States	Principal Location	Branches in Maryland	Total Assets (in thousands)
Bank of Delmarva	Seaford, DE	6	\$354,558
Branch Bank & Trust Company (BB&T)	Winston-Salem, NC	129	\$132,884,104
Cardinal Bank	McLean, VA	1	\$1,720,115
Centra Bank, Inc.	Morgantown, WV	2	\$1,161,728
Clear Mountain Bank	Bruceston Mills, WV	1	\$319,110
CNB Bank, Inc.	Berkeley Springs, WV	1	\$282,730
First-Citizens Bank & Trust Company	Raleigh, NC	1	\$13,539,818
Graystone Bank	Lancaster, PA	1	\$565,293
Imperial Capital Bank	La Jolla, CA	1	\$4,089,461
Industrial Bank	Washington, DC	1	\$338,295
Jefferson Security Bank	Shepherdstown, WV	1	\$240,804
M&T Bank	Buffalo, NY	153	\$65,079,643
Miners & Merchants Bank	Thomas, WV	1	\$43,193
Northwest Savings Bank	Warren, PA	5	\$6,987,020
Orrstown Bank	Shippensburg, PA	1	\$937,087
PeoplesBank, A Cordorus Valley Company	Glen Rock, PA	1	\$632,082
Shore Bank	Onley, VA	3	\$290,272
Standard Bank, PaSB	Murrysville, PA	2	\$343,678
SunTrust Bank	Atlanta, GA	136	\$171,500,853
United Bank	Fairfax, VA	8	\$2,835,436
United Central Bank	Garland, TX	1	\$947,007
WashingtonFirst Bank	Reston, VA	3	\$272,040
Woori America Bank	New York, NY	1	\$1,120,843

ENFORCEMENT

Investigations and Enforcement Annual Overview

Stephen Prozeralik, Assistant Commissioner

The majority of the investigations conducted by the Enforcement Unit involve mortgage fraud. Even before the economic crisis became evident on a national scale, it was impacting the Enforcement Unit by way of an increase in the number of telephone inquiries we were receiving from the public. In many instances, the callers were not victims of fraud, but were expressing anxiety about possible future difficulties in meeting their mortgage obligations. This was due to the upcoming resetting of interest rates on sub-prime mortgages. Callers were seeking advice as to where they could turn to for help.

As a result, the Unit needed to expand. The number of investigators increased from four to seven in fiscal year 2008, as the Unit shifted from primarily investigating fraudulent activities, to learning what resources and agencies were available to help homeowners facing potentially difficult circumstances. Members of the Unit received training from the Maryland Department of Housing and Community Development about the HOPE NOW Program, and from the Maryland Mortgage Program about various resources available to assist at-risk homeowners. The Unit also obtained a list of all certified housing counseling agencies in Maryland. Armed with this new training and information, we were able to refer distressed homeowners to the proper agencies for assistance.

Unit members also increased their participation in community meetings held to address foreclosure issues with concerned consumers. These meetings were held at night and on weekends to make them accessible to most individuals. Attendees were educated about the types of scams they might face if they found themselves in a foreclosure crisis. Information was also provided to help them avoid becoming victims of fraud.

The Commissioner's Office worked diligently to develop legislation that will address the mortgage fraud aspect of the foreclosure crisis. This effort resulted in the signing of Maryland's first criminal mortgage fraud law.

As the economic crisis continues, we expect to see an increase in the number of financial violations reported to the Commissioner. It is likely that people experiencing financial difficulties will turn to payday lenders for loans -- only to learn that payday loans add additional financial burdens that are difficult to overcome. We also forecast that more people dealing with financial problems will seek help from debt management consultants, debt settlement companies, and so called loss mitigation specialists. If the public seeks these services from unlicensed individuals or companies, they will be compounding an already difficult situation.

Summary of Investigations and Enforcement Actions Taken During FY 2008

Enforcement Unit Investigations:

The Enforcement Unit investigated a total of 242 cases during fiscal year 2008. Indicative of the financial crisis, 167 of these involved mortgages, which is an increase of 44% over last year's total number of complaints. The number of complaints involving payday lenders also increased significantly from 22 to 64. The Commissioner of Financial Regulation continues to issue cease and desist orders against these companies and to assist consumers in getting out from under the burden of these high interest loans.

Enforcement Actions Taken:

During the past fiscal year, the Enforcement Unit served 203 subpoenas and cease and desist orders, which is a 67% increase over the number of subpoenas issued from the prior fiscal year. Investigations conducted by the Unit resulted in the assessment of penalties against violators, which totaled \$38,000.00, over and above investigations taken in conjunction with the Compliance Unit which resulted in additional fines and recoveries.

As importantly, the Enforcement Unit continued to work with legal authorities at the state and Federal level on the most critical cases. For example, the Enforcement Unit began an investigation into two complaints of potential mortgage fraud alleged against a DLLR licensee named, "The Metropolitan Money Store". As the investigators delved deeper into the case, they uncovered a massive fraud scheme that had been perpetrated by the licensee, her husband, several employees and other associates. This led to the discovery of a \$35 million dollar foreclosure rescue scam. The licensee and all of the other conspirators in this case advertised their services as foreclosure consultants with a program to help homebuyers who were facing foreclosure. The conspirators arranged for "investors"-who were really straw purchasers-to obtain new mortgages on the homes of unsuspecting clients. The mortgages were issued to the maximum amount of available equity which was then skimmed by the conspirators. In order for the loans to be approved, the conspirators falsified the straw buyers' mortgage applications by inflating income and listing fraudulent additional employment. Working with the U.S. Attorney, this case became the largest mortgage fraud scam ever prosecuted in Maryland history. Well over 100 victims were identified and just recently, 10 persons pled guilty to the fraud and are awaiting sentencing in federal court.

The Enforcement Unit continued to participate in many community meetings and foreclosure prevention seminars throughout the State as part of our effort to help Maryland citizens protect themselves against becoming victims of mortgage fraud and other financial scams.

NON-DEPOSITORY INSTITUTIONS

Compliance Examinations Annual Overview

George Kinsel, Director

The Compliance Examinations Unit is responsible for monitoring the business activities of over 5,000 licensees, ensuring their compliance with State and federal laws and regulations. These licensees provide a myriad of financial services and products, including consumer purchase financing, personal loans, real estate secured loans, check cashers, money transmitters, and debt management services.

The majority of licenses (over 3,000) are issued for the purpose of conducting mortgage lending activities in Maryland. The Compliance Unit focuses most of its resources on this group of licensees. The range of services offered by these companies, coupled with the multitude of laws and regulations governing the extension of credit, makes compliance a challenging arena. As a result of the compliance examinations conducted by this unit, Maryland consumers received refunds of \$937,764. The Compliance Unit also levies fines and penalties on licensees that are not in compliance with the law.

Beginning in late 2007, the sub prime segment of the mortgage industry began to decline precipitously with a number of companies going out of business. As a result, many borrowers were left without the mortgages they needed to either purchase a home or refinance an existing mortgage.

During fiscal year 2008, the decline in the mortgage industry, which began in the sub prime segment, eventually spread to the Alt A and prime loan products. Coupled with the

rapid decline in the availability of mortgage loans was a rapid increase in loan defaults and subsequent foreclosures.

To address these emerging issues, a number of legislative and regulatory proposals were made. Given the current climate, the vast majority of these proposals were adopted including, standardization of the foreclosure process and requiring lenders to take into account the borrower's ability to repay a loan. The Commissioner's Office has been working with mortgage lenders and servicers to reduce the negative economic impact upon borrowers.

In order to increase the oversight of the mortgage industry, four new examiner positions were authorized for mortgage examinations. The Compliance Unit was able to attract and hire individuals with substantial experience in subprime lending and mortgage servicing.

The Compliance Unit has moved away from a strictly compliance-based examination to one that also includes assessing underwriting standards. This change will help to address the underwriting deficiencies that contributed to the mortgage industry crisis.

The Compliance Unit has participated in joint examinations with other states, and was also part of a pilot examination project that included the Federal Reserve, the Federal Trade Commission, and the Office of Thrift Supervision. Members of the Compliance Unit have been assigned to participate on various committees working to standardize the

state system of mortgage regulation. These Committees include the: Ability to Repay Examination Committee; Electronic Disclosures Committee; Reverse Mortgage Examination Committee; and Mortgage Servicing Committee.

In 2008, the Compliance Unit began the examination of mortgage servicers. This segment has been largely unregulated by the states. However, more and more states are now requiring that servicers become licensed and be subject to examination by the state. The Compliance Unit's examination of servicers has uncovered some major issues including inappropriate prepayment penalties and loan modifications that result in the consumer being in the same or worse position than before the modification.

As part of the ongoing effort to keep abreast of developments and trends in the mortgage lending area, Director Kinsel has continued his involvement on the board of the American Association of Residential Mortgage Regulators, where he has served as a director for the past 8 years, including two years as president.

NON-DEPOSITORY INSTITUTIONS

Licensing Annual Overview

Anne Ecker, Director

The Licensing Unit of the Commissioner's Office is responsible for the licensing of approximately 18,000 non-depository institutions to ensure their compliance with State law. The large majority of these financial institutions are in the business of consumer credit, and these entities provide mortgages, consumer loans, and retail sales financing. We also license and regulate check cashers, collection agencies, and money transmitters.

It is interesting to note that three categories of our licensees have increased since last year. The first two categories are check cashers and collection agencies. Certainly, the economic climate has affected these categories, thus resulting in these increases.

The third category of licensing to increase was in the area of mortgage originators. Mortgage originators only began being licensed in 2007. As the mortgage market and economic environment deteriorated throughout 2008, the number of practicing mortgage originators declined substantially. We expect the volume of licensees to decline even more significantly in 2009 as the licenses issued in 2007 come up for renewal.

In July of 2008, the President signed the Housing and Economic Recovery Act of 2008. This legislation contains the S.A.F.E. Mortgage Licensing Act ("Safe Act"), which requires all mortgage originators to be licensed or registered by the Nationwide Mortgage Licensing System and Registry ("NMLS").

To conform to the requirements of the Safe Act, Maryland is expected to modestly revise its mortgage related licensing framework in the coming year.

In July 2009, Maryland's mortgage industry will begin applying for and renewing licenses on the NMLS; this is a technologically progressive step that will improve convenience, service, and regulatory oversight.

Shifting to NMLS will be a major project for the Licensing Unit and the Office of the Commissioner of Financial Regulation as a whole. Our current system of two-year licenses with staggered expiration dates will be shifted to one-year licenses with a common expiration date of December 31. Likewise, the current licensing data and process must be migrated to the NMLS.

**New Business Licensees and
Total Current Business Licensees by Category
July 1, 2007 to June 30, 2008**

	New Licensees	Total Licensees
Mortgage Lender	761	3,728
Check Cashers	88	531
Sales Finance	112	677
Installment Loan	25	249
Collection Agency	314	1,449
Consumer Loan	28	232
Money Transmitter	5	76
Debt Management	2	36
Mortgage Insurance Producers	10	1329
Mortgage Originator	2,020	11,172
TOTAL	3,365	18,282

**Consolidated Written Consumer Complaint Analysis
Fiscal Years Ending June 30**

Complaint Type	2008	2007	2006	2005
Mortgage Complaints	601	419	451	496
Collection Agency Complaints	589	596	491	525
Non-Maryland Bank Complaints (1)	538	649	771	884
Credit Reporting Complaints	483	632	604	632
General Consumer Complaints	236	188	208	198
Maryland Bank and Credit Union Complaints	76	66	78	70
Miscellaneous Complaints	34	47	79	94

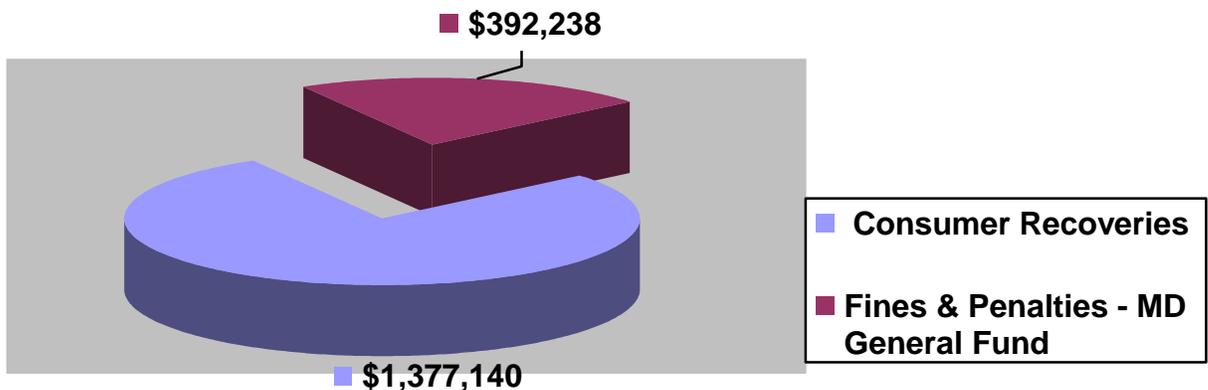
Consolidated Annual Complaint Totals	2,557	2,597	2,682	2,899
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(1) Complaints received against institutions not regulated by this Office, including national banks, federal savings banks, S&L's, and out-of-state banks.

Monetary Recoveries for Consumers and the Maryland General Fund July 1, 2007 to June 30, 2008

Monetary recoveries for consumers are an essential part of the Commissioner's commitment to protect the public from economic harm caused by problems in the consumer credit market. During fiscal year 2008, the Commissioner's Office recovered a total of \$1.3 million for consumers. These recoveries included refunds for consumers who were charged amounts not permissible under State or federal law, elimination of charges or fees that were not properly imposed, or other forms of relief provided as a result of assistance provided.

Additionally, as a result of our investigations, the Commissioner's Office imposed fines and penalties on consumer lender licensees that we determined had violated various State laws and/or regulations. These fines and penalties totaling over \$390,000 were paid to the State's General Fund, and were primarily related to the activities of unlicensed mortgage companies and mortgage originators.



OFFICE OF THE COMMISSIONER OF FINANCIAL REGULATION

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 Commissioner's 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 of the Commissioner of Financial Regulation has been accredited by the Conference of State Bank Supervisors (CSBS). The Commissioner's Office is proud of this accreditation, and was granted recertification in December 2007 after demonstrating compliance with the demanding approval standards established by CSBS. CSBS is a national organization that represents the interests of state banking departments and the U.S. dual banking system. State banking departments must undergo a rigorous 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 Commissioner's Office to effectively carry out its responsibilities of chartering and supervising State chartered financial institutions, to ensure industry safety and soundness, legal and regulatory compliance, and responsive service.

OFFICE REVENUE and EXPENDITURES

The Office of Financial Regulation is a self-supporting unit of the State Government, with none of its operating expenditures funded from tax revenues. The Office's funding is obtained solely from the supervision, examination, application, and licensing fees assessed upon those financial institutions regulated by the Commissioner. During fiscal year 2008, funds collected by the Commissioner's Office were remitted to the State's General Fund, with the exception of three Special Funds, which are directly funded by Maryland-licensed mortgage lenders, money transmitters, and debt management companies to cover the costs of supervising those industries. The following charts compare the Office's revenue and expenditures for fiscal years 2007 and 2008..

REVENUE and EXPENDITURES
General Fund
Fiscal Years Ending June 30

REVENUE	FY 2008	FY 2007
Depository Assessments	\$2,583,911	\$3,456,060
Depository Amendment and Filing Fees	\$23,720	\$25,540
Non Depository Examinations	\$199,030	\$0
Non Depository Investigation & License Fees	\$1,300,816	\$940,600
Penalties*	\$392,238	\$415,651
Miscellaneous Income/Other	\$3,344	\$0
TOTAL REVENUE	\$4,503,059	\$4,422,200

*All fines and penalties from all Programs are deposited into the General Fund.

EXPENDITURES	FY 2008	FY 2007
Salaries and Benefits	\$2,613,126	\$2,609,671
Technical and Special Fees	\$34,945	\$0
Communication	\$88,575	\$83,974
Travel/Training	\$222,233	\$212,201
Lease Expense, Parking Facilities	\$5,532	\$5,816
Contractual Services	\$57,367	\$88,307
Supplies and Materials	\$3,389	\$13,356
Equipment	\$5,396	\$0
Fixed Charges, Rent	\$31,303	\$42,312
Land	\$0	\$0
TOTAL EXPENDITURES	\$3,061,866	\$3,055,637

REVENUE and EXPENDITURES
Special Fund – Debt Management
Fiscal Years Ending June 30

REVENUE	FY 2008	FY 2007
Non Depository Examinations	\$10,447	\$2,178
Non Depository Investigation & Licensing Fees	\$130,000	\$5,000
Miscellaneous Income/Other	\$0	\$0
Total Revenue	\$140,447	\$7,178

EXPENDITURES	FY 2008	FY 2007
Salaries and Benefits	\$101,104	\$97,835
Technical and Special Fees	\$0	\$0
Communication	\$205	\$55
Travel/Training	\$17,282	\$8,535
Lease Expense, Parking Facilities	\$1,150	\$672
Contractual Services	\$150	\$1,169
Supplies and Materials	-\$115	\$314
Equipment	\$0	\$0
Fixed Charges, Rent	\$60	\$0
Administrative Expenses	\$17,531	\$0
Total Expenditures	\$137,367	\$108,580

Net Revenue	\$3,080	\$(101,402)
Balance Carried Forward (End of FY)	\$19,114	\$16,034

REVENUE and EXPENDITURES
Special Fund – Money Transmitters
Fiscal Years Ending June 30

REVENUE	FY 2008	FY 2007
Non Depository Examinations	\$13,901	\$9,721
Non Depository Investigation & Licensing Fees	\$334,000	\$25,000
Miscellaneous Income/Other	\$0	\$25,000
Total Revenue	\$347,901	\$59,721

EXPENDITURES	FY 2008	FY 2007
Salaries and Benefits	\$117,763	\$129,925
Technical and Special Fees	\$0	\$0
Communication	\$227	\$607
Travel/Training	\$35,025	\$40,057
Lease Expense, Parking Facilities	\$1,536	\$1,584
Contractual Services	\$3,177	\$0
Supplies and Materials	\$680	\$79
Equipment	\$0	\$0
Fixed Charges, Rent	\$1,003	\$500
Administrative Expenses	\$17,934	\$0
Total Expenditures	\$177,345	\$172,752

Net Revenue	(\$113,031)	(\$113,031)
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Balance Carried Forward (End of FY)	\$476,540	\$305,984
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REVENUE and EXPENDITURES
Special Fund – Mortgage Originators
Fiscal Years Ending June 30

REVENUE	FY 2008	FY 2007
Non Depository Examinations	\$252,267	\$75,560
Non Depository Investigation & Licensing Fees	\$2,803,367	\$7,023,747
Interest on Fund Balance	\$334,270	\$533,953
Miscellaneous Income/Other	\$0	\$40,275
Total Revenue	\$3,389,904	\$7,673,535

EXPENDITURES	FY 2008	FY 2007
Salaries and Benefits	\$3,535,374	\$2,822,432
Technical and Special Fees	\$301,844	\$561,927
Communication	\$8,915	\$34,415
Travel/Training	\$81,012	\$66,822
Lease Expense, Parking Facilities	\$25,853	\$20,072
Contractual Services	\$386,030	\$447,194
Supplies and Materials	\$21,676	\$23,578
Equipment	\$64,974	\$78,752
Fixed Charges, Rent	\$119,284	\$88,953
Administrative Expenses	\$644,820	\$0
Total Expenditures	\$5,189,782	\$4,144,145

Net Revenue	(\$1,799,878)	\$3,529,390
Balance Carried Forward (End of FY)	\$3,721,807	\$5,521,685

**OFFICE OF FINANCIAL REGULATION
MANAGEMENT ORGANIZATION CHART
As of December 31, 2008**

Sarah Bloom Raskin
Commissioner

Mark A. Kaufman
Deputy Commissioner

Stephen Prozeralik
Assistant Commissioner
Enforcement and Complaints

Marcia A. Ryan
Assistant Commissioner
Depository Corporate Activities

Teresa M. Louro
Assistant Commissioner
Depository Supervision

Joseph E. Rooney
Assistant Commissioner
Administration and Credit Union Supervision

Anne Ecker
Director
Non-Depository Licensing

Michael J. Jackson
Director
Regulatory Policy

George Kinsel
Director
Non-Depository Compliance

BOARDS
As of June 30, 2008

Maryland Banking Board

The Maryland Banking Board is a nine-member advisory group, consisting of the State Comptroller and eight members appointed by the Governor. The eight appointed positions include: three banking industry representatives, an economist, a certified public accountant, a consumer representative, and two public members. The function of the Board is to provide impartial advice, as needed, on certain bank applications submitted to the Commissioner, and on other general matters concerning the business of banking in this State. The Board meets at the request of the Commissioner.

Board Members

Hon. Peter Franchot State Comptroller	Vacant Banking Representative	Susan Demyan Public Member
Kamran A. Khan Economist	John R. Lane Banking Representative	Vacant Public Member
Arun K. Deva Certified Public Accountant	Vacant Banking Representative	Helen Won Consumer Representative

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

Sarah Bloom Raskin Chairman	
Stephen Hannan Consumer Member	Eileen Brandenburg Consumer Member
Susan Hayes Industry Member	Joanne Grant Industry Member

Office of the Commissioner of Financial Regulation
Commissioners
As of December 31, 2008

	From	To
Sarah Bloom Raskin	2007	Present
Charles W. Turnbaugh	2003	2007
Mary Louise Preis	1999	2003
H. Robert Hergenroeder ¹	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

¹ 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.