

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: *

CATHERINE L. DOBLER *

and *

ANCHOR MORTGAGE, LLC * Securities Division No. 2008-0466

RESPONDENTS. *

* * * * *

FINAL ORDER TO CEASE AND DESIST

WHEREAS, the Securities Division of the Office of the Maryland Attorney General (the “Securities Division”), pursuant to the authority granted in section 11-701 of the Maryland Securities Act, Title 11, Corporations and Associations Article, Annotated Code of Maryland (2007 Repl. Vol. & Supp. 2008) (the “Securities Act”), undertook an investigation into the investment-related activities of Catherine L. Dobler and Anchor Mortgage LLC (collectively the “Respondents”); and

WHEREAS, on the basis of that investigation the Maryland Securities Commissioner (the “Securities Commissioner”) found grounds to allege that Respondents had engaged in an act or practice constituting a violation of sections 11-501, 11-301, 11-401, and 11-402 of the Act; and

WHEREAS, the Commissioner issued an Order To Show Cause, ordering each Respondent to show cause why a final order should not be entered ordering that Respondent to cease and desist from violating those registration and antifraud provisions of the Act, to show cause why a statutory monetary penalty should not be assessed against that Respondent for such violations, and to show cause why that Respondent should not be barred from engaging in the securities business in Maryland for or on behalf of others or from being or acting as a principal or consultant in any entity engaged in such activities; and

WHEREAS, that Order gave each Respondent notice of the opportunity for a hearing in this matter, if requested in writing within fifteen days of service of that Order, and gave notice that as to any Respondent

not requesting a hearing, a Final Order To Cease And Desist would be issued, imposing a bar from engaging in securities transactions on behalf of others and a monetary civil penalty; and

WHEREAS, neither of the Respondents has filed an Answer or requested a hearing;

NOW, THEREFORE, having determined that it is in the public interest to issue this Final Order To Cease And Desist, THE COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-701.1 of the Securities Act.

II. RESPONDENTS

2. Catherine L. Dobler (“Dobler”), while using various home addresses in Maryland, at all relevant times was the president of Anchor Mortgage, LLC, and was engaged in the business of mortgage financing.

3. Anchor Mortgage, LLC (“Anchor”), with an address in Chesapeake Beach, Calvert County, Maryland, at all relevant times held itself out as being engaged in the business of mortgage financing. Anchor also did business, out of the same address, under the names Anchor Mortgage LLC of Virginia (“Anchor VA”), and Anchor Mortgage LLC of Pennsylvania (“Anchor PA”). All are Maryland limited liability companies.

III. FINDING OF FACTS

4. Dobler formed Anchor in March 2002 to conduct residential and commercial mortgage lending business within and outside Maryland. Anchor VA was formed in June 2003, and Anchor PA in July 2003, for the same purposes. Dobler and Anchor did business primarily out of Anchor’s office in Calvert County.

5. Beginning in or around 2002, when Dobler formed Anchor as a sole proprietorship, Dobler

offered opportunities to invest in Anchor. She sold and issued shares of Anchor, or solicited loans, for which she often, but not always, gave promissory notes.

6. In exchange for loans to Anchor, Dobler issued 12-month notes promising to pay 7-8%. Dobler personally guaranteed payment in the event Anchor was unable to pay.

7. At least 6 Maryland residents invested in excess of \$47,000 with Dobler and Anchor in the form of promissory notes.

8. Dobler also offered shares of Anchor to employees or other investors. Dobler limited an individual's investment to a maximum of 8% of the company's shares, in order to remain below the 10% ownership level that would raise financial regulators' questions. She offered 1% of the company for \$3,000, with a minimum investment of 2%.

9. Investors were told that proceeds were to be used for expanding the business, and that a 22% yield was not impossible. In a memo to "Potential Investors" dated February 2006, Dobler wrote that Anchor LLC would incorporate, and become Anchor Ltd., which also would issue shares of stock. The new company was going to use mass marketing to target the subprime refinance market.

10. At least 6 other Maryland residents invested \$80,000 with Dobler and Anchor in the form of shares of Anchor.

11. Anchor's business began to decline, and Dobler reportedly began to experience personal problems that contributed to further declines in business profitability for Anchor. Dobler relinquished managerial authority to former employees, and subsequently went to work for another mortgage company.

12. Dobler has abandoned the mortgage business, for reasons of health and the economy.

13. Anchor LLC and Anchor PA were forfeited in October 2005, and Anchor VA was forfeited in December 2005, all for failure to file property reports for 2004.

14. Despite her personal guarantees, Anchor investors have received no payments as returns on their investments since Dobler's departure.

15. The investments in Anchor that have been offered or sold by the Respondents are shares of

stock and promissory notes, both of which constitute "securities" within the definition of the Act.

16. The Securities Division has no record of securities registration for an offering by or in the name of Anchor Mortgage, nor has any claim of exemption or status as a federal-covered security been made with the Division with respect to any such offering.

17. Anchor is not registered in Maryland as a securities broker-dealer or agent, or as an investment adviser or investment adviser representative.

18. Dobler is not registered in Maryland as a securities broker-dealer or agent, or as an investment adviser or investment adviser representative.

IV. CONCLUSIONS OF LAW

19. Respondents violated Section 11-501 of the Securities Act by offering and selling unregistered securities in Maryland in the form of shares of stock and promissory notes, for which no claim of preemption or exemption has been filed.

20. Respondents violated Section 11-401(a) of the Securities Act by transacting business in the offer or sale of securities in Maryland as a broker-dealer or securities agent, without being registered pursuant to the Securities Act.

21. Respondent Anchor violated Section 11-402(a) of the Securities Act by employing unregistered agents for the offer and sale of its securities in Maryland.

22. Respondents violated Section 11-301 of the Securities Act by making material omissions and misrepresentations in connection with the offer and sale of securities.

V. SANCTIONS

IT IS HEREBY ORDERED THAT:

23. Respondents, and each of them, their employees, agents, and all persons acting under their control, permanently cease and desist from offering or selling securities, in or from Maryland, in violation

of the Securities Act, from offering and selling any securities whether registered or exempt from registration, and from engaging in any transaction exempted under the Securities Act; and that

24. Respondents are permanently barred from engaging in the securities business in Maryland for or on behalf of others, or from acting as a principal or consultant in any entity so engaged; and that

25. Respondents jointly and severally are assessed a civil monetary penalty of \$120,000 for violations of the Securities Act pursuant to section 11-701.1(b) of the Securities Act, payable by certified check to the Office of the Attorney General.

VI. JURISDICTION RETAINED

26. Jurisdiction is retained by the Securities Commissioner for the purpose of enabling any party to this Order to apply for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Order.

VII. NOTICE OF APPEAL RIGHTS

27. Pursuant to the Code of Maryland Regulations, COMAR 02.02.06.24, each Respondent has the right to file an appeal of this Order with the circuit court of Maryland. Any appeal must be filed within 30 days from the date this Order is mailed by the Securities Division.

IT IS SO ORDERED:

**Commissioner's Signature is
on File with Original Document**

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER

September 8, 2009 _____