

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 08-379
)
 3 State of New Hampshire Banking)
)
 4 Department,)
) MOTION TO STAY
 5 Petitioner,)
)
 6 and)
)
 7 Carteret Mortgage Corporation, Eric E.)
)
 8 Weinstein, Albert L. Elder, Jessica)
)
 9 Harrington, and Stephen Bianco,)
)
 10 Respondents)
)

11 MOTION TO STAY

12 I. The staff of the New Hampshire Banking Department (hereinafter referred
13 to as the "Department") alleges the following facts:

- 14 1. Respondent Carteret Mortgage Corporation (hereinafter "Respondent
15 Carteret Mortgage") was issued an Order to Show Cause and Cease and
16 Desist Order on September 25, 2008.
- 17 2. Respondents Eric E. Weinstein, Albert L. Elder, Jessica Harrington,
18 and Stephen Bianco were named individually pursuant to RSA 397-A:21.
- 19 3. On February 5, 2007, Respondent Carteret Mortgage filed a Chapter 7
20 Bankruptcy Petition in the United States Bankruptcy Court for the
21 Eastern District of Virginia.

22 II. The staff of the Department alleges the following issues of law:

- 23 1. Section 362 of the U.S. Bankruptcy Code grants an automatic stay of
24 actions involving the petitioner "including the issuance or
25 employment of process, of a judicial, administrative, or other

1 action or proceeding against the debtor that was or could have been
2 commenced before the commencement of the case under this title, or
3 to recover a claim against the debtor that arose before the
4 commencement of the case under this title.”

- 5 2. The Bankruptcy Code is silent as to the continuation of regulatory or
6 other actions that arise against individuals in the bankruptcy
7 petitioner’s employment who have not themselves submitted a
8 Bankruptcy Petition.

9 **RELIEF REQUESTED**

10 III. The staff of the Department requests the Bank Commissioner take the
11 following action:

- 12 1. Find as fact the allegations contained in Section I herein;
13 2. Make conclusions of law relative to the allegations contained in
14 Section II herein; and
15 3. Stay the previously issued order consistent with the provisions of
16 Section 362 of the U.S. Bankruptcy Code against Respondent Carteret
17 Mortgage only; and
18 4. Schedule a hearing for Respondents Eric E. Weinstein, Albert L.
19 Elder, Jessica Harrington, and Stephen Bianco (collectively
20 “Remaining Respondents”), after request for continuance of the
21 October 9, 2008 hearing is made from all such Remaining Respondents,
22 or find each of them in default on expiration of the time period in
23 the original notice; and
24 5. Take such other administrative and legal actions as are necessary
25 for enforcement of the New Hampshire Banking laws, the protection of
New Hampshire citizens, and to provide other equitable relief.

1 Respectfully submitted by:

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 /s/
Maryam Torben Desfosses
Staff Attorney

 10/07/08
Date

SO ORDERED,

 /s/
Peter C. Hildreth
Bank Commissioner

 10/07/08
Date