

1 State of New Hampshire Banking Department

2 In re the Matter of: ) Case No.: 09-109  
 )  
 3 State of New Hampshire Banking )  
 )  
 4 Department, ) Order to Show Cause  
 )  
 5 Petitioner, )  
 )  
 6 and )  
 ) Consent Order  
 7 Butterfly Financial Group Inc., Colin )  
 )  
 8 Neal Hart, and William Neal Hart, )  
 )  
 9 Respondents )  
 )

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11 CONSENT ORDER

12 I. For purposes of amicably settling the above-referenced matter, the New  
 13 Hampshire Banking Department (hereinafter referred to as "the  
 14 Department"), Respondent Butterfly Financial Group Inc. ("Respondent  
 15 Butterfly Financial"), Respondent Colin Neal Hart ("Respondent C.  
 16 Hart") and Respondent William Neal Hart ("Respondent W. Hart")  
 17 (hereinafter collectively "Respondents" unless otherwise indicated) do  
 18 hereby stipulate and agree to the following:

- 19 1. The term "this action" shall refer to the Department's October  
 20 22, 2009 Staff Petition.
- 21 2. Respondent Butterfly Financial has been at all relevant times  
 22 herein a Mortgage Broker since at least September 28, 2007.
- 23 3. Respondent C. Hart is currently the 10% owner and President of  
 24 Respondent Butterfly Financial.
- 25 4. Respondent W. Hart is currently the 90% owner and Vice-President

1 of Respondent Butterfly Financial.

2 5. Each of the above named Respondents agree they were subject to  
3 RSA Chapter 397-A.

4 6. Without constituting an admission by Respondents,  
5 of any allegations made or implied by this action; and solely  
6 for the purpose of settlement of all matters in this action,  
7 Respondents stipulate that the financial statement was submitted  
8 late and Respondent Butterfly Financial's surety bond was not  
9 increased to \$50,000.00 as required by statute.

10 7. In consideration of the mutual promises and representations set  
11 forth herein, and in further consideration of the Department's  
12 reliance upon the substantial accuracy and good faith of the  
13 representations and submissions made to it by Respondents, the  
14 Department and Respondents intending to be legally bound herein,  
15 agree to the terms and conditions below.

16 II. For purposes of amicably resolving and closing the above-referenced  
17 matter, each of the above named Respondents and the Department hereby  
18 agree to the following terms and conditions:

19 1. Respondents agree that they have voluntarily entered into this  
20 Consent Order without reliance upon any discussions between the  
21 Department and Respondents, without promise of a benefit of any  
22 kind (other than concessions contained in this Consent Order),  
23 and without threats, force, intimidation, or coercion of any  
24 kind. Respondents further acknowledge their understanding of  
25 the nature of the allegations set forth in this action,

1 including the potential penalties provided by law.

2 2. Respondents agree to waive any and all rights to a hearing and  
3 appeal regarding the allegations set forth in this action.

4 3. Respondents agree that all terms of this Consent Order are  
5 contractual and none is a mere recital.

6 4. Respondent Butterfly Financial represents and warrants that it  
7 has all the necessary rights, powers and ability to carry out  
8 all of the terms of this Consent Order which are applicable to  
9 Respondent Butterfly Financial.

10 5. Respondent C. Hart represents and warrants that he has all the  
11 necessary rights, powers and ability to carry out all of the  
12 terms of this Consent Order which are applicable to Respondent  
13 C. Hart.

14 6. Respondent W. Hart represents and warrants that he has all the  
15 necessary rights, powers and ability to carry out all of the  
16 terms of this Consent Order which are applicable to Respondent  
17 W. Hart

18 7. Respondents each represent and warrant that they can accomplish  
19 the full relief contemplated and required herein and that all  
20 parents, subsidiaries, affiliates, and successors necessary to  
21 effectuate the full relief contemplated by this Consent Order  
22 are parties to this Consent Order.

23 8. Respondents represent and warrant that they have obtained all  
24 third-party approvals necessary to comply with the Consent  
25 Order.

1           9. Respondents acknowledge that the Department is relying upon the  
2           representations and warranties of Respondents stated herein, in  
3           making its determination in this matter.

4           10. Respondents shall hereby pay \$1,750.00 contemporaneously with  
5           the execution of this Consent Order and immediately surrender  
6           its license.

7           11. Respondents hereby acknowledge that failure to make payment as  
8           agreed above may result in civil and/or criminal penalties.

9           12. This Consent Order shall become effective immediately upon the  
10          date of its issuance, which is upon the Commissioner's  
11          signature.

12          13. The provisions of this Consent Order shall remain effective and  
13          enforceable except to the extent that, and until such time as,  
14          any provisions of this Consent Order shall have been modified,  
15          terminated, suspended, or set aside by the Bank Commissioner or  
16          upon an order of a court of competent jurisdiction.

17    III. This Consent Order represents the resolution of and discharge of any  
18          basis for any civil or administrative proceeding by the Department  
19          against Respondents for violations arising as a result of or in  
20          connection with any actions or omissions by Respondents through the  
21          date of this Consent Order as it applies to the allegations in this  
22          action; provided, however, this release does not apply to facts not  
23          known by the Department or not otherwise provided by Respondents to  
24          the Department as of the date of this Consent Order nor to actions for  
25          restitution under RSA 383:10-d, or any possible actions related to the

1 examination just completed. Such facts would include, but not be  
2 limited to, any consumer harm from Respondents' actions. The  
3 Department expressly reserves its right to pursue any administrative,  
4 civil or criminal action or remedy available to it should Respondents  
5 breach this Consent Order or in the future violate the Act or rules  
6 and orders promulgated thereunder.

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1 **WHEREFORE**, based on the foregoing, we have set our hands to this Agreement,  
2 with it taking effect upon the signature of Peter C. Hildreth, Bank  
3 Commissioner.

4  
5 Recommended this 24th day of November, 2009 by

6 \_\_\_\_\_ /s/  
7 Maryam Torben Desfosses, Hearings Examiner, Banking Department

8  
9 Executed this 23rd day of December, 2009.

10 \_\_\_\_\_ /s/ \_\_\_\_\_, Colin Neal Hart, as representative for  
11 Respondent Butterfly Financial Group. Inc. and on his own behalf as a  
12 Respondent

13 Executed this 23rd day of December, 2009.

14  
15 \_\_\_\_\_ /s/ \_\_\_\_\_, Respondent William Neal Hart

16  
17  
18 **SO ORDERED,**

19  
20 Entered this 5th day of December, 2009.

21  
22 \_\_\_\_\_ /s/  
23 Peter C. Hildreth,  
24 Bank Commissioner