

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 10-002
)
 3 State of New Hampshire Banking)
)
 4 Department,)
) Consent Order
 5 Petitioner,)
)
 6 and)
)
 7 PAL Financial Corp, and Thomas)
)
 8 Iarrobino,)
)
 9 Respondents)
)

11 CONSENT ORDER

12 I. This Consent Order (hereinafter referred to as "Consent Order") is
 13 entered between the New Hampshire Banking Department ("the
 14 Department"), Respondent First PAL Financial Corp ("Respondent PAL"),
 15 and Respondent Thomas Iarrobino ("Respondent Iarrobino"), (all
 16 Respondents hereinafter referred to collectively as "Respondents").
 17 The Department and Respondents do hereby stipulate and agree to the
 18 following:

- 19 1. The term "this matter" shall refer to Respondents' unlicensed
 20 mortgage broker activity in the State of New Hampshire, which
 21 is comprised of only one loan in 2007.
- 22 2. The Department is authorized by New Hampshire RSA 397-A:2 to
 23 regulate those engaged in the business of brokering mortgage
 24 loans (mortgage broker activity as defined by RSA 397-
 25 A:1,XIII).

1 3. RSA 397-A:5 and RSA 397-A:12 authorize the Department to
2 investigate alleged violations of laws or rules to determine
3 whether any person has violated or is violating any
4 provision of RSA Chapter 397-A, rule or order given under
5 RSA Chapter 397-A.

6 4. RSA 397-A:11 and RSA 397-A:12 authorize the Department to
7 perform examinations of Respondents' mortgage brokering
8 activity.

9 5. Respondent PAL was licensed with the Massachusetts Division of
10 Banks as a mortgage broker but was not licensed with the
11 Department as a Mortgage Broker during the period referenced
12 in this matter.

13 6. Respondent Iarrobino is the President, Treasurer and
14 Secretary and principal of Respondent PAL, as that term is
15 defined in RSA Chapter 397-A.

16 7. Without constituting an admission by the above named
17 Respondents of any allegations made or implied by this
18 matter, and solely for the purpose of settlement of this
19 matter, Respondents stipulate they only brokered one New
20 Hampshire loan without a mortgage broker license.

21 8. In consideration of the mutual promises and representations
22 set forth herein, and in further consideration of the
23 Department's reliance upon the substantial accuracy and good
24 faith of the representations and submissions made to it by
25 Respondents, the Department and Respondents intending to be

1 legally bound herein, agree to the terms and conditions
2 below.

3 II. For purposes of amicably resolving and closing this action, each of
4 the above named Respondents and the Department do hereby agree to the
5 following terms and conditions:

6 1. Respondents agree that they have voluntarily entered into
7 this Consent Order without reliance upon any discussions
8 between the Department and Respondents, without promise of a
9 benefit of any kind (other than concessions contained in this
10 Consent Order), and without threats, force, intimidation, or
11 coercion of any kind. Respondents further acknowledge their
12 understanding of the nature of the allegations set forth in
13 this matter, including the potential penalties provided by
14 law.

15 2. Respondents agree to waive any and all rights to a hearing
16 and appeal regarding the allegations set forth in this
17 matter.

18 3. The Respondents agree that they will not deny the factual
19 basis for this Consent Order to which they have stipulated
20 above and will not give conflicting statements about such
21 facts or their involvement in the stipulated facts.

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

24 5. Respondent PAL represents and warrants that it has all the
25 necessary rights, powers and ability to carry out all of the

1 terms of this Consent Order which are applicable to
2 Respondent PAL.

3 6. Respondent Iarrobino represents and warrants that he has all
4 the necessary rights, powers and ability to carry out all of
5 the terms of this Consent Order which are applicable to
6 Respondent Iarrobino.

7 7. Respondents represent and warrant that they can accomplish
8 the full relief contemplated and required herein and that all
9 parents, subsidiaries, affiliates, and successors necessary
10 to effectuate the full relief contemplated by this Consent
11 Order are parties to this Consent Order.

12 8. Respondents represent and warrant that they have obtained all
13 third-party approvals necessary to comply with this Consent
14 Order.

15 9. Respondents acknowledge that the Department is relying upon
16 the representations and warranties of Respondents, stated
17 herein, in making its determination in this matter.

18 10. The Department agrees to accept monies in the amount of
19 \$1,000.00 in penalties from Respondents, which shall be paid
20 contemporaneously with the execution of this Consent Order.

21 11. Respondents hereby agree that they have not brokered any
22 other loan in New Hampshire and that they do not intend to
23 broker any such New Hampshire mortgage loans and therefore,
24 do not seek licensure.

25

1 12. The provisions of this Consent Order shall not limit, estop,
2 or otherwise prevent the Department, or any federal or state
3 agency or department, from taking any other action affecting
4 Respondents.

5 13. Respondent acknowledges that failure to make payment as
6 agreed above may result in civil and/or criminal penalties.

7 14. This Consent Order shall become effective immediately upon
8 the date of its issuance.

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

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

1 should the above named Respondents breach this Consent Order or in the
2 future violate the Act or rules and orders promulgated thereunder.

3
4 **WHEREFORE**, based on the foregoing, we have set our hands to this Consent
5 Order, with it taking effect upon the signature of Peter C. Hildreth, Bank
6 Commissioner.

7
8 Recommended this 17th day of February, 2010 by

9
10 _____ /s/
11 Maryam Torben Desfosses, Hearings Examiner, Banking Department

12
13 Executed this 24th day of March, 2010 by

14
15 _____ /s/ _____, Thomas Iarrobino on
16 behalf of himself and as representative for Respondent PAL Financial Corp

17
18 **SO ORDERED,**

19 Entered this 26th day of March, 2010.

20
21
22 _____ /s/
23 Peter C. Hildreth,
24 Bank Commissioner