

1 In re the Matter of: ) Case No.: 10-484  
 )  
 2 State of New Hampshire Banking )  
 )  
 3 Department, )  
 )  
 4 Petitioner, ) Cease and Desist Order and  
 ) Order to Show Cause  
 5 and )  
 )  
 6 Robert A. Young, Jr. d/b/a First )  
 )  
 7 Connecticut Mortgage, )  
 )  
 8 Respondent )

9 NOTICE OF CEASE AND DESIST AND ORDER TO SHOW CAUSE AND ("ORDER")

10 1. This Order commences an adjudicative proceeding under the provisions of  
 11 RSA Chapter 397-A and RSA Chapter 541-A.

12 RESPONDENTS

13 2. Robert A. Young, Jr. d/b/a First Connecticut Mortgage ("Respondent") is a  
 14 sole proprietorship with a duly registered trade name in New Hampshire of  
 15 First Connecticut Mortgage as of September 21, 2005 with its principal  
 16 office location in Bristol, New Hampshire.

17 3. Respondent has been licensed as a Mortgage Broker with the New Hampshire  
 18 Banking Department ("Department") since January 5, 2006.

19 4. Robert A. Young, Jr.'s New Hampshire Mortgage Loan Originator license was  
 20 issued by the Department on April 1, 2009.

21 LEGAL AUTHORITY AND JURISDICTION

22 5. "Person" is defined as an individual, corporation, business trust,  
 23 estate, trust, partnership, association, 2 or more persons having a joint or  
 24 common interest, or any other legal or commercial entity however organized.

25 RSA 397-A:1,XVIII.

1 6. The Commissioner has the authority to issue an order to show cause to any  
2 person under the Commissioner's jurisdiction why Respondent's licenses  
3 should not be revoked or suspended and penalties for violations of RSA  
4 Chapter 397-A or any rule or order thereunder should not be imposed. RSA  
5 397-A:17,I.

6 7. The Commissioner may by order, upon due notice and opportunity for  
7 hearing, assess penalties, deny, suspend, decline to renew or revoke a  
8 license if it is in the public interest and the respondent, any partner,  
9 officer, member, or director, any person occupying a similar status or  
10 performing similar functions, or any person directly or indirectly  
11 controlling the respondent has violated any provision of RSA Chapter 397-A  
12 or rules or orders thereunder. RSA 397-A:17,I

13 8. The Department may issue an order to cease and desist from conducting  
14 business and from violating RSA Chapter 397-A or any rule or order  
15 thereunder if it has reasonable cause to believe the Respondent has violated  
16 RSA Chapter 397-A or any rule or order thereunder. RSA 397-A:17,II and RSA  
17 397-A:18,II.

18 9. The Commissioner may impose administrative fines of up to \$2,500.00 for  
19 each violation. RSA 397-A:21.

20 10. In addition to any other penalty provided for under RSA Chapter 397-A,  
21 the Commissioner may assess fines and penalties against a mortgage loan  
22 originator in an amount not to exceed \$25,000.00 for each violation if the  
23 Commissioner finds such loan originator has violated or failed to comply  
24 with any requirement of the S.A.F.E. Mortgage Licensing Act of 2008, Public  
25 Law 110-289, Title V or any regulation or order issued thereunder. RSA 397-

1 A:17, IX.

2 11. The Commissioner may issue, amend, or rescind such orders as are  
3 reasonably necessary to comply with the provisions of RSA Chapter 397-A. RSA  
4 397-A:20, IV.

5 **RIGHT TO REQUEST A HEARING**

6 12. Respondent has a right to request a hearing on this Order. A hearing  
7 shall be held not later than ten (10) days after the Commissioner receives  
8 the Respondent's written request for a hearing. Respondent may request a  
9 hearing and waive the ten (10) day hearing requirement. The hearing shall  
10 comply with RSA Chapter 541-A, RSA 397-A:17 and RSA 397-A:18.

11 13. If any person fails to request a hearing within thirty (30) days of  
12 receiving this Order, then such person shall be deemed in default, and the  
13 Order shall, on the thirty-first (31<sup>st</sup>) day, become permanent, all  
14 allegations may be deemed true, and shall remain in full force and effect  
15 until modified or vacated by the Commissioner for good cause shown. RSA 397-  
16 A:17 and RSA 397-A:18.

17 14. A default may result in administrative fines as described in Paragraphs  
18 9 above and 10 above.

19 **STATEMENT OF ALLEGATIONS**

20 15. On or about October 4, 2010, the Department received a surety bond  
21 cancellation notice dated September 25, 2010 concerning Respondent.

22 16. On October 5, 2010, the Department's Licensing Division sent a certified  
23 letter to Respondent requesting replacement or reinstatement of the  
24 \$50,000.00 surety bond required by RSA 397-A:5, III and RSA 397-A:5, IV-  
25 c(a)(8). On October 29, 2010, the Department received the October 5, 2010



ORDER

22. **WHEREAS the Commissioner finds** pursuant to RSA 397-A:17,I, the facts as alleged above, if true, show Respondent is operating or has operated in violation of RSA Chapter 397-A and form the legal basis for this Order;

23. **WHEREAS the Commissioner finds** pursuant to RSA 397-A:20,VI, this Order is necessary and appropriate to the public interest and for the protection of consumers and consistent with the purpose of New Hampshire banking laws;

24. **WHEREAS the Commissioner finds** pursuant to RSA 397-A:5,IV-c(5) and RSA 397-A:5:IV-d(a)(1), the facts as alleged above, if true, show Respondent as a mortgage loan originator has not continued to demonstrate financial responsibility such as to command the confidence of the community and to warrant a determination that he will operate honestly, fairly, and efficiently within the purposes of RSA Chapter 397-A;

25. **WHEREAS the Department finds** pursuant to RSA 397-A:18,II, reasonable cause to issue an order to cease and desist; and

26. **WHEREAS the Commissioner finds** if Respondent fails to respond to this Order and/or defaults then all facts as alleged herein are deemed as true;

27. **It is hereby ORDERED** that:

a. Respondent shall cease and desist from conducting any business (as both a mortgage broker and mortgage loan originator) subject to RSA Chapter 397-A;

b. Respondent shall cease and desist from violating RSA Chapter 397-A and rules or orders thereunder;

28. **It is hereby further ORDERED** that Respondent shall immediately provide the Department a list of all New Hampshire consumers for whom Respondents

1 have conducted mortgage broker activity and a status of the loans. This list  
2 must include the names and contact information of the New Hampshire  
3 consumers, along with monies charged, collected and waived (if applicable).  
4 The list shall also be accompanied by all contracts, checks to and from the  
5 consumer and any other documents in the New Hampshire consumers' files;

6 29. **It is hereby further ORDERED** that Respondent shall show cause why  
7 Respondent's New Hampshire Mortgage Broker license should not be revoked;

8 30. **It is hereby further ORDERED** that Respondent shall show cause why  
9 Respondent's New Hampshire Mortgage Loan Originator license should not be  
10 revoked;

11 31. **It is hereby further ORDERED** that Respondent shall show cause why an  
12 administrative fine of \$2,500.00 per violation should not be imposed as  
13 follows:

14 a. Respondent:

15 Violation #1: Failure to maintain an active \$50,000.00 surety bond;

16 Violation #2: Failure to maintain surety bond coverage for mortgage  
17 loan originator;

18 32. **It is hereby further ORDERED** that Respondent shall show cause why an  
19 additional administrative fine of \$25,000.00 per violation pursuant to RSA  
20 397-A:17, IX should not be imposed as follows:

21 a. Respondent:

22 Violation #1: Failure to maintain an active \$50,000.00 surety bond in  
23 violation of Section 1505(b)(6) of the S.A.F.E. Mortgage Licensing Act  
24 of 2008, Public Law 110-289, Title V or any regulation or order issued  
25 therunder;

1 33. It is hereby further ORDERED that nothing in this Order:

2 a. shall prevent the Department from taking any further administrative and  
3 legal action as necessary under New Hampshire law; and

4 b. shall prevent the New Hampshire Office of the Attorney General from  
5 bringing an action against the above named Respondents in any New Hampshire  
6 superior court, with or without prior administrative action by the  
7 Commissioner.

8  
9 SO ORDERED.

10  
11 \_\_\_\_\_ /s/

Dated: 11/23/10

12 PETER C. HILDRETH  
13 BANK COMMISSIONER  
14 By Robert A. Fleury, Deputy Bank Commissioner  
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