

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS



DEPARTMENT OF BUSINESS REGULATION
1511 PONTIAC AVENUE, BUILDING 68-2
CRANSTON, RI 02920
(401) 462-9503

IN THE MATTER OF:
ACTION MORTGAGE CORP. NMLS ID # 2751
WILLIAM PLANTE: NMLS ID # 199725
DBR NO: 10-B-0098

FINAL ADMINISTRATIVE SURRENDER AND ENFORCEMENT ORDER

The Department of Business Regulation (“Department”) submits this Order in order to document the material facts in this administrative matter, including the dissolution of Action Mortgage (“Action Mortgage”) and surrender of its Loan Broker License during the pendency of this matter.

I. Introduction

1. On June 21, 2010, the Department of Business Regulation (“Department”) issued an Emergency Order (“Order”) suspending the Loan Broker License (#97000707LB) of Action Mortgage Corp. (“Respondent”).
2. The Order was based on the following findings of fact and conclusions of law:
 - A. Respondent is licensed as a loan broker pursuant to R.I. Gen. Laws § 19-14-1 *et seq.* On June 18, 2010, the Division of Banking (“Division”) of the Department obtained credible information that Nathan M. Russo, NMLS ID # 21618, a

principal owner, vice President and mortgage loan originator for Respondent was indicted on June 17, 2010 in a multi-million dollar mortgage fraud initiative.

- B. The Department is unable to conclude that Respondent has demonstrated the character, reputation, integrity, and general fitness that would warrant the belief that the businesses will be operated honestly, fairly, and in the public interest in compliance with R. I. Gen. Laws § 19-14-7(a).
 - C. Respondent did not report the indictment to the Department as required by R. I. Gen. Laws § 19-14-22(b).
 - D. The indictment of Respondent's principal owner, Vice President and mortgage loan originator constitutes grounds for revocation of the License pursuant to R. I. Gen. Laws § 19-14-13(a), (3), (4), and (7).
 - E. It is necessary to take emergency action in order to protect consumers from the harm caused by Respondent's irresponsibility, untrustworthiness, and complete disregard of statutory and regulatory mandates and to prevent further harm to persons who may be relying upon Respondent to effectuate future financial transactions. Therefore, the protection of the public welfare and the integrity of the financial marketplace imperatively require emergency action pursuant to R. I. Gen. Laws § 42-35-14(c).
 - F. The Director finds that due to the seriousness of the violations attributed to Respondent in this Order, the public safety and welfare imperatively requires the issuance of this Order.
3. The Department also suspended Nathan Russo's Mortgage Loan Originator license (#21618) on June 21, 2010.

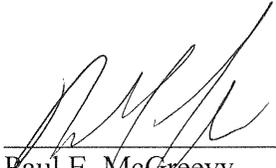
4. On June 24, 2010, Respondent provided a letter indicating that it had ended any employment and ownership interest with Mr. Russo.
5. Respondent, through its owner, William Plante has represented that a thorough investigation has been conducted and there are no improprieties with respect to any other loans than the Connecticut loans identified in the criminal indictment.
6. William Plante has represented to the Department that he was not aware of Mr. Russo's activities and has cooperated fully with the U.S. Attorney's office and the Federal Bureau of Investigation with respect to any criminal proceedings.
7. William Plante has represented to the Department that neither Action Mortgage and/or William Plante is the subject of any criminal or civil proceedings.
8. William Plante represents that he has been in business for thirteen (13) years and has never been the subject of any enforcement actions or complaints.
9. On October 6, 2010 Respondent filed its Articles of Dissolution with the Rhode Island Secretary of State.
10. Respondent and William Plante represented to the Department that they are no longer in business and do not intend to engage in any activities requiring licensure by the Division of Banking of the Department.
11. Respondent and William Plante did not request a hearing but instead elected to dissolve the Respondent and surrender the License.
12. Since no hearing was requested, Respondent's counsel takes the position that there is no longer an entity that may be represented. Therefore, it is not possible to enter into any consent agreement memorializing and adjudicating this administrative proceeding.

13. Respondent has filed with the Division of Banking of the Department a certified copy of a resolution of the board of directors or substantially equivalent governing body of Respondent that identifies William Plante as the authorized person to execute the surrender of the license and the dissolution of the Respondent.
14. The Department has notified Respondent's former counsel of its intent to enter such an Order documenting the facts in this matter and has provided a copy of this Order to its counsel.
15. Respondent has surrendered Loan Broker License 97000707LB.16. Respondent filed all requisite reports pursuant to R.I. Gen. Laws § 19-14-1 *et seq.* to confirm surrender of its License and ensure that no consumers are harmed by said surrender.
16. Respondent shall immediately disaffiliate any mortgage loan originators tied to its License under the Nationwide Mortgage Licensing System.

III. Reservation of Rights

The Department reserves its rights to further adjudicate, through the administrative hearing process, the facts in this matter should it receive additional or new information related to the allegations in the Order and/or violation of the terms of this Order and/or any information which may implicate other violations by Respondent, subject to Respondent's right to a hearing. In light of the surrender of the License during the pendency of this administrative proceeding, the Department further reserves its right to take into account the foregoing facts in the consideration, denial, and/or approval of any future application submitted to the Department by William Plante or any of Respondent's past employees and specifically reserves its right to impose conditions or penalties, deny, and/or approve any such application based on the facts indicated herein.

Entered: 1 March, 2011



Paul E. McGreevy
Director of Business Regulation

ORDER NO.: 11-011

THIS ORDER CONSTITUTES A FINAL ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO RHODE ISLAND GENERAL LAWS TITLE 42, CHAPTER 35. AS SUCH, THIS ORDER MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MAY BE COMPLETED BY FILING A PETITION FOR REVIEW IN SAID COURT. HOWEVER, RESPONDENT UNDERSTANDS THAT BY WAIVING HIS RIGHTS TO A COMPLETE HEARING AND AGREEING TO THIS CONSENT ORDER, THE ABOVE RIGHTS ARE WAIVED AND IF ANY TERMS OF THIS CONSENT ORDER ARE VIOLATED, RESPONDENT'S LICENSES ARE SUBJECT TO REVOCATION.

CERTIFICATION

I hereby certify on this 15th day of March 2011 that a copy of the within Administrative Surrender and Enforcement Agreement was sent by certified and regular mail postage prepaid to William A. Plante, President, Action Mortgage Corp., 1120 Park Avenue, Cranston, Rhode Island 02910 and to Robert Davignon, Esq., Agent for Service Re: Action Mortgage Corp., 120 Wayland Avenue, Suite 5, Providence, RI 02906 and Anthony M. Traini, Esq., 56 Pine Street - Suite 200, Providence, RI 02903-2819 and to the following Department personnel via email: Joseph Torti, Deputy Director and Superintendent of Banking and Insurance and Sara Paterson Cabral, Supervisor of Examinations, Division of Banking.

