

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS



DEPARTMENT OF BUSINESS REGULATION
DIVISION OF BANKING
1511 PONTIAC AVENUE, BUILDING 68-2
CRANSTON, RI 02920
Telephone: (401) 462-9503 - Facsimile: (401) 462-9532

IN THE MATTER OF:

AMITY FUNDING MORTGAGE CORP.

RESPONDENT.

CONSENT AND ENFORCEMENT ORDER
ADMINISTRATIVE SURRENDER OF LICENSE

I. Introduction

1. Amity Funding Mortgage Corp. ("Respondent") holds Rhode Island Loan Broker Licensen Number 20052003LB (the "License") issued pursuant to R.I. Gen. Laws Title 19.

2. Raymond M. Johnson, Jr. and Stephen M. Dion each held a fifty percent (50%) ownership interest in Respondent.

3. On March 30, 2007 the Department of Business Regulation ("Department") issued a Notice of Intention to Revoke License Under R. I. Gen. Laws § 19-14-13 and of Opportunity dated March 29, 2007 ("Notice") for a Hearing to ("Respondent").

4. The Notice alleged that Respondent had violated three Rhode Island statutes or regulations governing Respondent's loan brokering activities that constituted grounds for the revocation of the License. Details of the violations were reported to Respondent in the January

16, 2007 Report of Examination prepared by the Division of the Banking (“Division”) of the Department.

5. The allegations in the Notice are fully incorporated herein by reference.

6. On April 9, 2007 the Department received Respondent’s timely Request for Hearing in response to the Department’s Notice.

7. On October 5, 2007 a meeting took place with Respondent to discuss settlement of the allegations noted in the Notice.

8. On or about January 28, 2008 the Division was notified that Respondent desired to surrender the License and not proceed with the administrative hearing process.

9. On March 3, 2008 a pre-hearing conference was held at the Department on the Notice at which time at which Respondent confirmed its desire to surrender the License.

10. The Department would have sought revocation of the License through the administrative hearing process.

11. The Division noticed that Respondent has created an account in the Nationwide Mortgage Licensing System (“NMLS”), which is required for any licensee wishing to maintain a Rhode Island loan broker license. Respondent’s filing with the NMLS listed the address of the licensed office as 1525 Old Louisquisset Pike A104, Lincoln, RI 02865. Respondent did not, however, select the Rhode Island as a state to which submit information required to maintain the License.

II. Settlement Agreement

In consideration of the foregoing and the mutual promises set forth herein, and to resolve all known outstanding violations, Respondent voluntarily waives its right to complete the

hearing process, admits that the allegations in paragraphs 1 through 7 above are true, and affirms that upon executing this Order, Respondent¹ shall:

1. Pay to the Department by check payable to the “General Treasurer, State of Rhode Island”² an administrative assessment of Three Thousand Two Hundred Thirty-Eight Dollars (\$3,238)³ of which Seven Hundred Thirty-eight dollars (\$738) represents an examination fee;
2. Surrender the original License or file a affidavit that the original License was lost or misplaced;
3. Cease engaging in any loan brokering activity from any location within the State of Rhode Island, including any activity that may involve application for loans involving applicants or property located in a state other than Rhode Island.
4. Agree that Respondent will not apply for a Rhode Island license under R. I. Gen. Laws § 19-14-1 et seq.
5. On or before February 15, 2010 File a Final Annual Report for the License with the applicable filing fee of fifty-five dollars (\$55); and
6. File with the Division a certified copy of a resolution of the board of directors or substantially equivalent governing body of Respondent that identifies Stephen M. Dion as the authorized person to execute this Consent and Enforcement Order.

¹ Principal owner Raymond M. Johnson, Jr. is not represented by attorney Murphy and has not consented to this provision.

² Payee must be the “General Treasurer, State of Rhode Island”. Checks with incorrect payee will be returned for re-issuance.

³ The amount of the assessment based upon the violations cited was originally Sixteen Thousand Seven Hundred Thirty-eight dollars (\$16,738). The Division reduced the assessment solely as a means of expediting the surrender of Respondent’s License.

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 information related to the allegations in the Notice and/or violation of the terms of this Consent and Enforcement Order and/or any information which may implicate other violations by Respondent herein subject to the Respondent's right to a hearing.

THIS CONSENT AND ENFORCEMENT ORDER CONSTITUTES A FINAL ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO R. I. GEN. LAWS § 42-35-12. PURSUANT TO R.I. GEN. LAWS § 42-35-15, 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 CONSENT AND ENFORCEMENT ORDER. SUCH APPEAL, IF TAKEN, MUST BE COMPLETED BY FILING A PETITION FOR REVIEW IN SUPERIOR COURT. HOWEVER, RESPONDENT UNDERSTANDS THAT BY WAIVING ITS RIGHT TO A COMPLETE HEARING AND AGREEING TO THIS CONSENT AND ENFORCEMENT ORDER, THE ABOVE RIGHTS ARE WAIVED AND IF ANY TERMS OF THIS CONSENT AND ENFORCEMENT ORDER ARE VIOLATED THE DEPARTMENT SHALL SEEK ADDITIONAL REMEDIES PURSUANT TO R. I. GEN. LAWS §§ 19-14-13, 19-14-15, 19-14-23,and/or 19-14-26.

Respondent:

By:

Stephen M. Dion

Date:

1/27/10

Stephen M. Dion
Former Agent for the Now Dissolved⁴
Amity Funding Mortgage Corp.
1525 Old Louisquisset Pike, Bldg. A, Suite 104
Lincoln, RI 02865

STATE OF *Rhode Island*

COUNTY OF [*Providence*]

In *North Providence*, in said County, on the _____ day of *January*, 2010 before me personally appeared the above-named Stephen M. Dion, to me known and known by me to be the President of Amity Funding Mortgage Corp., and the person executing these presents in behalf of Amity Funding Mortgage Corp., the party executing the foregoing instrument, and she acknowledged said instrument by him so executed to be free act and deed as such person and the free act and deed of said Amity Funding Mortgage Corp.

Isabel Paveras

Isabel Paveras, Notary
(Print or type name of Notary)

Department:

Neena Sinha Savage
By: Neena Sinha Savage, Esq.
Chief of Legal Services
Department of Business Regulation

Steven L. Cayouette
By: Steven L. Cayouette, CFE
State Chief Bank Examiner
Department of Business Regulation

Date: *3/15/10*

Date: *2-2-10*

Catherine R. Warren *3/18/10*
By: Catherine R. Warren, Esq.
Hearing Officer
Department of Administration

⁴ Respondent's Corporate Charter was revoked on October 21, 2009

ORDER

I hereby ✓ approve _____ reject the Consent and Enforcement Order as agreed to by and between the parties in the above entitled matter.

ORDER NUMBER: 10-042

Entered: March 19, 2010



A. Michael Marques, Director
Department of Business Regulation

CERTIFICATION

I hereby certify that on 22nd day of March 2010 a copy of the within Consent and Enforcement Order was mailed via certified, postage prepaid, to:

William J. Murphy, Esq.
Murphy & Fay, LLP
Attorneys at Law
127 Dorrance Street
Providence, RI 02903

Walter J. Manning, III, Esq.
Manning Law Offices
875 Centerville Road, Bldg. 2
Warwick, RI 02886