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MARTIN F. LOUGHLIN
1995-2007

10-002

Hon. Joanne Ruel, Executive Assistant
Executive Council
State House, Room 207
107 N. Main Street
Concord, New Hampshire 03301-4990

RE: Peter C. Hildreth, Bank Commissioner

Dear Ms. Ruel:

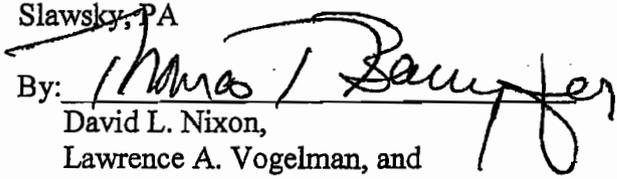
Enclosed herewith, please find original and six (6) copies of a Motion for Discovery, Etc., in regard to the above-captioned matter. We learned from the newspapers that the hearing process is now scheduled to commence on November 29, 2010.

Please advise the Executive Council's decision on this Motion as soon as possible, if you will be so kind.

Thank you very much.

Very truly yours,

Nixon, Raiche, Vogelman, Barry &
Slawsky, PA

By: 
David L. Nixon,
Lawrence A. Vogelmann, and
Kirk C. Simoneau, Attorneys for
Peter C. Hildreth

DLN/dak
Enc.

Cc: Peter B. Krupp, Esq., Prosecuting Attorney to Gov. John H. Lynch and the
Executive Council
Donald J. Perrault, Esq., Legal Counsel to the Executive Council
Jeffrey A. Meyers, Esq., Legal Counsel to Gov. John H. Lynch
Hon. Michael A. Delaney, Esq., Attorney General

October 14, 2010
COPY FOR YOUR INFORMATION
(Original sent to addressee)
**NIXON, RAICHE, VOGELMAN,
BARRY & SLAWSKY**
Attorneys at Law
PROFESSIONAL ASSOCIATION
77 CENTRAL STREET
MANCHESTER, NH 03101

THE STATE OF NEW HAMPSHIRE

EXECUTIVE COUNCIL

IN RE

PETER C. HILDRETH, BANK COMMISSIONER

MOTION FOR DISCOVERY, ETC.

NOW COMES Peter C. Hildreth, respondent in the above-captioned matter, and respectfully moves for orders providing for the following discovery and production of documents, all of which had been requested during the period July 9, 2010 through July 21, 2010, and denied. This information and these materials are necessary if respondent, Peter C. Hildreth, is to have a fair opportunity to defend his office, position, and reputation, against the charges filed against him on the initiative of Gov. John H. Lynch:

1. Copies of all complaints received by (1) the New Hampshire Department of State, Bureau of Securities; (2) Department of Justice, Attorney General; and (3) New Hampshire Banking Department, including letters, Emails, copies of telephone messages, and the like, regarding the practices and procedures of Financial Resources, Inc., and/or Financial Resources Management, Inc., and its principals, Scott Farah and Donald Dodge, during the period January 1, 2000 through December 31, 2009.

2. All the materials in the nature of exhibits, made a part of the "Report of the Attorney General to the Governor and Executive Council. . . Financial Resources Mortgage, Inc." dated May 12, 2010.

3. Copies of the Minutes of any and all meetings of the Governor and Executive Council (on information and belief, there have been three or four) during which the FRM Matter, so-called, was discussed prior to the initiation of the pending removal proceedings against Bank Commissioner, Peter C. Hildreth, including the non-public sessions during which Peter C. Hildreth's conduct and activities, and his tenure as Bank Commissioner for the State of New Hampshire were discussed by Governor John H. Lynch.

4. Copies of the original "raw notes" of all investigators acting on behalf of the Department of Justice, Attorney General's Office, leading to the preparation of the "Report of the Attorney General to the Governor and Executive Council. . . Financial Resources Mortgage, Inc." dated May 12, 2010.

5. Copies of all complaints, letters of concern, inquiries, and other communications received by the Governor and/or the Governor's Office of Citizen Services, regarding the FRM Matter, so-called, together with copies and an account of the disposition of all such inquiries and complaints by the Governor and/or the Governor's Office of Citizen Services, and/or other members of his staff, including Rich Sigel, Chief of Staff, Pamela Walsh, Deputy Chief of Staff, Hilary Denoncourt, Director of Administration, Katherine Peters, Special Assistant for Policy, Elizabeth Gray, Special Assistant for Policy, Katja Fox, Special Assistant for Policy, Jamie Richardson, Executive Assistant to the Governor, Lindsay Whitelaw, Special Assistant for Citizen Services, Maurya Tollefsen, Special Assistant for Citizen Services, Cara Osborn, Special Assistant for Citizen Services, Chickie Shanalaris, Policy/Executive Assistant, Elaine Sword, Administrative Assistant, and any and all other personnel of the Executive Department who received, responded to or otherwise were involved with said complaints, etc., and/or any actions taken thereon.

6. The complete packet of documents and materials produced by the Banking Department which was brought to the attention of the Joint Senate/House Committee investigating the FRM Matter, so-called. This request is necessary because, per letter dated June 8, 2010, Governor John H. Lynch ordered Commissioner Hildreth to "... refrain from reporting to work, refrain from participating in the management of the Department, and refrain from communicating with the Department." (Copy attached).

7. Copies of the office notes, memoranda, research materials, and authority sources, including bibliography, in respect to the "Long Report", so-called, made a part of the aforesaid Attorney General's Report.

8. Copies of all documents provided as a result of the WMUR, RSA 91-a "Right To Know Request" in the possession of the New Hampshire Banking Department.

9. The "Time Line" and analysis thereof as to the FRM Matter, so-called, prepared by Mary L. Jurta, Esq., Director of the Consumer Credit Division, New Hampshire Banking Department.

10. Copies of all complaints of all kinds (not only as to the FRM Matter, so-called) received by the New Hampshire Banking Department, from January 1, 2000 through December 31, 2009, including the details as to (a) the Complainants' names and addresses; (b) the type/nature of the Complaints; and (c) the disposition of the Complaints by the New Hampshire Banking Department, with copies of the disposition letters and documents, if any.

11. The analysis of alleged violations by the FRM entities as to various regulations promulgated by the New Hampshire Banking Department, which, on information and belief, was prepared by then Deputy Banking Commissioner, Robert A. Fleury.

12. An order authorizing and requiring the following to be the subject of depositions prior to the Hearing of this matter:

1. Governor John H. Lynch;
2. Former Attorney General Kelly A. Ayotte;
3. Former Director of the Bureau of Securities, Department Of State, Mark E. Connelly, Esq.;
4. Professor Joseph C. Long, Director, Bureau of Securities, Department Of State;
5. All personnel of the Department of Justice/Attorney General's Office who have been involved in, and/or responsible for, receiving, processing and/or handling any and all complaints or inquiries regarding the FRM Matter, so-called;
6. The Governor's Chief of Staff, Rich Sigel, and the other members of his staff, named above, principally those composing the "Citizen Services Division" of the Office of the Governor;
7. Members of the Attorney General's staff, Department of Justice, particularly those composing the "Consumer Protection and Trust Bureau" of said Department (it appears that during the years 2001-2009, there have been between 10 to 15 attorneys, investigators, and paralegals working in this Bureau); and
8. Staff of the New Hampshire Banking Department, past and present, including Donna M. Soucy, Esq., formerly General Counsel to the Department, and numerous lawyers and citizens who have dealt with the New Hampshire Banking Department during the period of Peter C. Hildreth's tenure as Commissioner thereof.
9. Christopher Carter, Esq., who, on behalf of a client, wrote to the Attorney General's assistant regarding the FRM Matter, and described the activities involved as a "Ponzi Scheme" which, of course, it was.
10. Richard W. Head, Associate Attorney General.

As I advised Attorney Perrault on July 21, 2010, after reading in the newspaper that he had been selected by the Executive Council to represent its interests and provide legal advice in respect to the RSA 4:1 removal proceedings involving Liquor Commission Chairman, Mark Bodi, and Banking Commissioner Peter C. Hildreth, it is anticipated that on behalf of Peter C. Hildreth approximately 20 to 30 witnesses may be called to testify, produce exhibits, etc., during the course of this proceeding.

Now that a hearing commencement date (November 29, 2010) has been established, we will provide formal Witness Lists and Exhibit Lists, no later than 10 days prior to said date, provided, of course, we have been afforded the opportunity to complete our preliminary discovery work as specified above, which, again, was first requested formally on July 9, 2010.

Respectfully submitted,

NIXON, RAICHE, VOGELMAN,
BARRY & SLAWSKY, P.A.

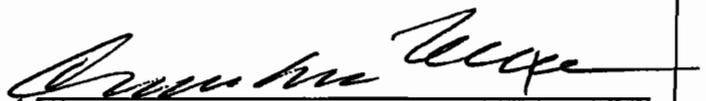
Date: October 14, 2010

By 

David L. Nixon
Lawrence A. Vogelmann, and
Kirk C. Simoneau
Attorneys for Peter C. Hildreth
77 Central Street
Manchester, NH 03101
Tel. No.: 603-669-7070

CERTIFICATION

I hereby certify that copies of the foregoing Motion For Discovery, Etc., were this date mailed to Peter B. Krupp, Esq., Prosecuting Attorney for Governor John H. Lynch and the Executive Council, Donald J. Perrault, Esq., counsel to the Executive Council, Jeffrey A. Meyers, Esq., Legal Counsel to Governor John H. Lynch, and Hon. Michael A. Delaney, Attorney General.


4 David L. Nixon



JOHN H. LYNCH
Governor

State of New Hampshire
OFFICE OF THE GOVERNOR
107 North Main Street, State House - Rm 208
Concord, New Hampshire 03301
Telephone (603) 271-2121
www.nh.gov/governor
governorlynch@nh.gov

June 8, 2010

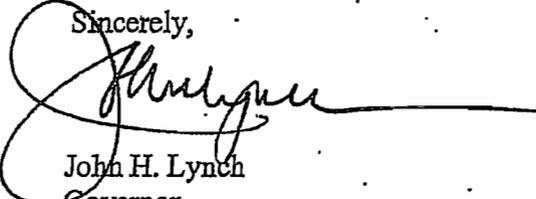
Commissioner Peter C. Hildreth
33 Shawmut Street
Concord, New Hampshire 03301

Dear Commissioner Hildreth:

I am writing to confirm your agreement to refrain from reporting to work as Commissioner of the New Hampshire Banking Department effective June 7th until the Executive Council resolves the issue of your removal as Commissioner. Last Friday, your legal counsel, David L. Nixon, Esq., indicated your agreement to my request that you voluntarily take this leave of absence.

During this leave of absence, you will refrain from reporting to work, refrain from participating in the management of the Department, and refrain from communicating with Department staff. In accordance with RSA 383:1, Deputy Banking Commissioner Robert Fleury will perform the duties of commissioner in your absence, and he will serve as your sole point of contact with the Department during this leave should there be a need to consult concerning any ongoing matter. All communication with the Department relating to the removal action should be made through your legal counsel. Your compensation and benefits will continue during the leave.

Sincerely,



John H. Lynch
Governor

cc: David L. Nixon, Esq.