

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
DIVISION OF SECURITIES
JOHN O. PASATORE COMPLEX
1511 PONTIAC AVENUE
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF

**M & M IRON WORKS, LLC,
MARIO M. PERRETTA, AND
SEAN M. BOYLE,**

RESPONDENTS.

**ORDER TO CEASE AND DESIST,
NOTICE OF INTENT TO IMPOSE
CIVIL PENALTY AND OF
OPPORTUNITY FOR HEARING
UNDER SECTIONS 602, 712 AND 710**

I.

Pursuant to Sections 602, 712 and 710 of the Rhode Island Uniform Securities Act of 1990 (“RIUSA”), § 7-11-101 *et seq.* of the Rhode Island General Laws, 1989, as amended, the Director of the Rhode Island Department of Business Regulation (“Director”) issues this Order to Cease and Desist, (“Order”) Notice of Intent to Impose Civil Penalty and of Opportunity for a Hearing (“Notice”) under Sections 602, 712 and 710 with regard to the above referenced Respondents. This Order is effective upon issuance.

II.

Upon information and belief, the Director makes the following findings of fact and conclusions of law with respect to this Order:

1. M & M Iron Works, LLC. (“Respondent M&M”) was a Domestic Limited Liability Company organized in the State of Rhode Island on September 13, 2006, with the Office of the Secretary of State. Respondent M&M listed a business address at 450 Potters Avenue, Providence, Rhode Island.

2. On March 19, 2010 a Revocation Notice was issued by the Office of the Secretary of State against Respondent M&M for Failure to File an Annual Report.
3. Mario M. Perretta ("Respondent Perretta") is the President of Respondent M&M.
4. Respondent Perretta is a domiciled resident of the State of Rhode Island with a listed address of 35 Ocean Ridge Drive, Charlestown, Rhode Island.
5. Sean M. Boyle ("Respondent Boyle") is a domiciled resident of the Commonwealth of Massachusetts with a last known address of 60 West Street, Apartment 2, North Attleboro, Massachusetts.
6. During the period 2005 through 2007 Respondent Boyle worked as a mortgage broker for several mortgage companies in Massachusetts and had clients both in Massachusetts and Rhode Island, including one of Perretta's family members.
7. In late 2007 Respondent M&M hired Respondent Boyle as an independent contractor to raise capital for Respondent M&M.
8. Based on information and belief, between April 2008 and December 2009, M&M Iron Works and its President, Mario Perretta, raised at least \$4,000,000.00 from approximately 39 investors in the Commonwealth of Massachusetts. Many of these investments were evidenced by promissory notes made by M&M Iron Works to the investors. However, there are also many investors who never received a promissory note from M&M Iron Works.
9. Based on information and belief, in January 2008 Respondent Boyle solicited a Rhode Island attorney to fraudulently invest a client's funds, totaling \$350,000.00, in Respondent M&M's business. This money was received from a real estate transaction on

the sale of the client's home in Massachusetts that was brokered by Boyle. This investment was made without the knowledge or consent of the homeowner/client.

10. R.I. Gen. Laws § 7-11-101 defines a security as any note, treasury stock, stock, bond, evidence of indebtedness, etc.
11. R.I. Gen. Laws § 7-11-301 provides that no person may offer to sell or sell a security in this state unless the security is registered or exempt from registration under this chapter.
12. During the period from April 2008 through December 2009 Respondent M&M received approximately \$4,000,000.00 from thirty-nine investors in Massachusetts in violation of R.I. Gen Laws Sec. 7-11-101 *et seq.*, specifically §7-11-301 – Registration Requirements.
13. R.I. Gen. Laws § 7-11-201 provides that no person may transact business in this State as a broker-dealer or sales representative unless licensed or exempt from licensing under this chapter.
14. During the period from April 2008 through December 2009 Respondent M&M unlawfully transacted business in securities in this State as a broker-dealer without benefit of licensing, in violation of R.I. Gen Laws §7-11-101 *et seq.*, specifically §7-11-201 – Broker Dealer and Sales Representative Licensing.
15. During the period from April 2008 through December 2009 Respondent Perretta unlawfully transacted business in securities in this State as a broker-dealer representative without benefit of licensing, in violation of R.I. Gen Laws §7-11-101 *et seq.*, specifically §7-11-201 – Broker Dealer and Sales Representative Licensing.
16. In January 2008 Respondent Boyle unlawfully transacted business in securities in this State as a broker-dealer representative without benefit of licensing, in violation of R.I.

Gen Laws §7-11-101 *et seq.*, specifically §7-11-201 – Broker Dealer and Sales Representative Licensing.

17. R.I. Gen. Laws §7-11-101 *et seq.*, specifically §7-11-501 provides that in connection with the offer or sale of a security a person may not employ a device, scheme or artifice to defraud nor make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading.
18. Respondent M&M, Respondent Perretta and Respondent Boyle (collectively, the “Respondents”) omitted to state material facts in the offer and sale of these securities.
19. The effecting of transactions in securities by the offer to sell or sell unregistered securities not disclosing relevant information thereto creates a danger to the public welfare in that it invites the public to place funds with an unregistered entity without the benefit of full disclosure directed by Section 501 of RIUSA. Further, the person or persons involved appear not to have complied with the registration requirements of Section 301, exacerbating the likelihood investors will become victims of securities fraud schemes. Specifically, investors will not be adequately protected from illegal sales practices and/or material misstatements or omissions if unregistered securities are permitted to be sold outside of the regulatory scheme.

III.

Based upon the foregoing, the Director determines that the following action is necessary to prevent or avoid a danger to the public welfare, that it is in the public interest, appropriate for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of RIUSA.

Accordingly, IT IS HEREBY ORDERED THAT:

- (1) Respondent M&M, Respondent Perretta and Respondent Boyle (collectively, the "Respondents") shall immediately cease and desist from any further violation of Sections 201, 301 AND 501 of RIUSA.
- (2) The Respondents shall upon receipt of this Order provide the Director with an accurate and truthful list, including the name and address, of all persons in the State of Rhode Island who were solicited and/or sold promissory notes and/or other evidence of indebtedness by the Respondents, and the amount of the solicitation and/or sale.
- (3) The Respondents shall retain and maintain all written and computer records regarding its business activities and the subject offers and sales until further order of the Director.
- (4) This Order is effective immediately.

Therefore, unless the Director receives a written request for a hearing and answer to this Order within thirty (30) days of the date of this Order, the Director will regard Respondents as having been provided notice and an opportunity for hearing, and as having waived the right to a hearing, and the Order will become final. If the Director receives a request for a hearing within thirty (30) days of the date of this Order, the Director shall set the matter for hearing no more than sixty (60) nor less than twenty (20) days from the receipt of the request for hearing and shall promptly notify the parties of the time and place for hearing. If no hearing is requested and none is ordered by the Director, the Order becomes permanent on the thirtieth (30th) day after its entry and remains in effect unless or until modified or vacated by the Director.

Pursuant to § 7-11-602, if the Director reasonably believes that a violation of RIUSA has occurred, he may (after such further notice and hearing in an administrative proceeding unless the right to notice and hearing is waived by a person against whom the sanction is imposed), impose a civil penalty up to a maximum of ten thousand (\$10,000) for a single violation, in addition to any specific powers granted under R.I. Gen. Laws § 7-11-101 *et seq.*

Dated this 30th day of March, 2010.

Order No. 10-049 Maria L. D'Alessandro (for)
A. Michael Marques, Director
Rhode Island Department of Business Regulation

THE DIRECTOR RESERVES THE RIGHT TO PUBLISH THIS NOTICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE STATE OF RHODE ISLAND.

CERTIFICATION

I hereby certify on this 30th day of March, 2010 that a copy of the within Notice was mailed by certified mail and first class mail to: M & M Iron Works, LLC, 450 Potters Avenue, Providence, RI 02907, to: Mario M. Perretta, 35 Ocean Ridge Drive, Charlestown, RI 02813 and to: Sean M. Boyle, 60 West Street, Apartment 2, North Attleboro, MA 02703.

Bridgette Rodriguez