

**STATE OF ALABAMA
STATE BANKING DEPARTMENT**

IN THE MATTER OF:)	
)	
NATIONWIDE FINANCIAL GROUP, LLC)	CASE NO. MB-2010-03
)	
RESPONDENT)	

CEASE AND DESIST ORDER

The Alabama State Banking Department (“Department”), having the authority to administer and provide for the enforcement of all provisions of Title 5, Chapter 25, Code of Alabama 1975, the Mortgage Brokers Licensing Act (“Act”), upon due consideration of the subject matter hereof has determined as follows:

RESPONDENT

1. **Nationwide Financial Group, LLC** (“Nationwide”) is a Florida limited liability company having a commercial address of 3948 Coral Ridge Drive, Coral Springs, Florida 33065.

STATEMENT OF FACTS

2. The Department is in receipt of information that on or about March 8, 2010, **Nationwide** engaged in the business of operating as a mortgage broker by contacting an Alabama resident regarding the possibility of obtaining a mortgage loan modification.

3. Information available to the Department indicates that **Nationwide** provided documents to an Alabama resident which contained a detailed description of the “Financial Solutions” offered by **Nationwide**. The documents detailed that **Nationwide** would “reduce your present monthly payments and find a workable solution that better fits your financial needs” and “We charge a monthly fee of \$399.00 to complete all underwriting, processing, negotiating, and any other work necessary. However such charges are for a maximum of four (4) months.”

4. The documentation indicates that the maximum charge for these services by **Nationwide** is \$1,596.00. This amount exceeds the maximum permissible fee under Alabama law regarding mortgage loan modification services.

5. A further review of the documentation provided by **Nationwide** indicates that **Nationwide** provided a "Limited Power of Attorney & Authorization to Represent and Release Financial Records" intended to be signed by the Alabama consumer. This document provided that the authorization would give **Nationwide** the "full power to represent me in negotiating the validity, reduction, settlement, and payment as may be required, of accounts owed my creditors." Additionally, the Limited Power of Attorney provided that **Nationwide** may "contact my creditors or lenders in order to speak on my behalf to my creditors or lenders, receive my records and to assist in the negotiation and restructuring or any amounts that I may owe."

6. On March 10, 2010, the Department provided Notice, by certified mail-return receipt requested; to **Nationwide** that the Department had received the information giving the Department reasonable grounds to believe that **Nationwide** was conducting mortgage broker activities in Alabama without a license. As required under Section 5-25-16(a), Code of Alabama 1975, the Notice advised **Nationwide** that the Department intended to enter a Cease and Desist Order against **Nationwide**.

7. The Notice advised **Nationwide** that the company was entitled to a hearing prior to the entry of the Cease and Desist Order for unauthorized practices. The Notice provided that the hearing was scheduled for April 20, 2010, at 10:00 a.m. The Department received the signed return receipt on March 15, 2010.

8. For good cause, the hearing was rescheduled for May 11, 2010, and again to May 18, 2010. The Department provided proper notice of the rescheduling to **Nationwide**.

9. On May 18, 2010, a hearing, pursuant to the requirements of Section 5-25-16(a), Code of Alabama 1975, was conducted at the offices of the Department, 401 Adams Avenue, Suite 680, Montgomery, Alabama 36104. Present, representing the Department at the hearing, was Deputy Attorney General, W. Mark Anderson, III. No one attended or represented **Nationwide** at the hearing. Also present at the hearing was Jeremy Windham, Loan Examinations Coordinator who testified that he was contacted by an Alabama consumer regarding a solicitation received from **Nationwide**.

10. According to a review of the records of the Department, **Nationwide** was not and is not presently licensed by the Department as a mortgage broker nor has **Nationwide** applied for licensure under the Act.

11. As a result, **Nationwide** is conducting loan modification services and operating as a mortgage broker without benefit of the required license in violation of the Act and applicable regulations. **Nationwide** has directly contacted consumers regarding the negotiation of the terms on a mortgage loan for the borrower and has solicited mortgage broker business in the state of Alabama.

CONCLUSIONS OF LAW

12. Pursuant to Section 5-25-4, Code of Alabama, 1975, no person shall transact business in this state directly or indirectly as a mortgage broker unless he or she is licensed as a mortgage broker by the Department unless that person is exempted from the licensing requirements pursuant to Section 5-25-3, Code of Alabama, 1975.

13. Pursuant to Regulation 155-2-2-.18, any person engaged in the business of providing consumer mortgage loan modification services for loans secured by residential real property located in the State of Alabama, for compensation, is required to be licensed under Chapter 19 or Chapter 25 of Title 5 of the Code of Alabama, 1975 unless otherwise exempt from licensing. Regulation 155-2-2-.18 further provides that any consumer mortgage loan modification service provider licensed under the Mortgage Brokers Licensing Act or the Alabama Consumer Credit Act is allowed to charge and collect a fee of not more than \$500.00 for consumer mortgage loan modification services and no fee greater than \$500.00 is permitted or considered bona fide and reasonable.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENT, NATIONWIDE FINANCIAL GROUP, LLC** immediately **CEASE AND DESIST** from conducting, or undertaking to conduct, any mortgage broker business until such time as it is properly licensed to do so by this Department.

A violation of this **ORDER** will be dealt with to the full extent of the law.

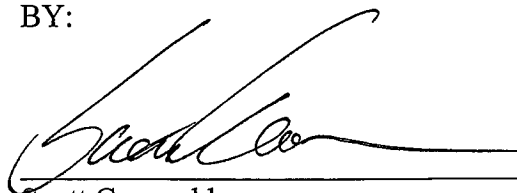
This **ORDER** does not prevent the Department from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

A copy of this **ORDER** shall be mailed to **Nationwide Financial Group, LLC** at the location noted in the **ORDER** by certified and first class mail.

Entered at Montgomery, Alabama, this 9th day of June 2010.

ALABAMA STATE BANKING DEPARTMENT
401 ADAMS AVENUE, SUITE 680
Montgomery, Alabama 36104
(334) 242-3452

BY:



Scott Corscadden
Supervisor, Bureau of Loans

STATE OF ALABAMA
 STATE BANKING DEPARTMENT
 P.O. BOX 4600
 MONTGOMERY, AL 36103-4600

NATIONAL FINANCIAL GROUP LLC
 3948 CORAL RIDGE DRIVE
 CORAL SPRINGS FL 33065

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

NATIONAL FINANCIAL GROUP LLC
 3948 CORAL RIDGE DRIVE
 CORAL SPRINGS FL 33065

COMPLETE THIS SECTION ON DELIVERY

A. Signature X		<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
B. Received by (Printed Name)		C. Date of Delivery
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No		

3. Service Type	
<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

2. Article Number
 (Transfer from service label)

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