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ARKANSAS SECURITIES DEPARTMENT

FOR IMMEDIATE RELEASE

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ARKANSAS SECURITIES COMMISSIONER FILES CIRCUIT COURT ACTION AGAINST 21st CENTURY LEGAL SERVICES, INC.

Arkansas Securities Commissioner A. Heath Abshure is again warning Arkansas citizens to avoid 21st Century Legal Services, Inc. 21st Century Legal Services is a company located in Rancho Cucamongo, California that promises mortgage loan modification services to persons in foreclosure or in danger of foreclosure.

On June 24, 2009, Abshure entered a Cease and Desist Order against 21st Century Legal Services and two of its agents, Sandy Ayala and Michael Herried. Abshure found that three Arkansas residents were solicited and accepted for mortgage loan modifications by 21st Century Legal Services. 21st Century Legal Services then contacted notaries public in Arkansas to deliver relevant documents to the residents, and to collect post-dated checks payable to 21st Century Legal Services for upfront fees. Abshure ordered 21st Century to stop its mortgage loan business activities in Arkansas until it had obtained the proper licenses. Abshure also ordered the Staff of the Arkansas Securities Department to continue its investigation into 21st Century Legal Services to determine whether the company was defrauding Arkansas consumers.

21st Century Legal Services continued to solicit money from Arkansas residents for purported mortgage loan modification after Abshure entered the Cease and Desist Order. On July 29, 2009, Abshure filed a complaint in the Pulaski County Circuit Court seeking temporary and permanent injunctions against 21st Century Legal Services as well as appropriate monetary fines. The Court entered a temporary injunction prohibiting 21st Century from engaging in any mortgage loan activity, including mortgage loan modification activity, on July 30, 2009.

"21st Century Legal Services does not have the proper license to do business in Arkansas. It continued to contact Arkansas residents even after it was told to stop," Abshure stated. "Further, the Arkansas Securities Department is continuing its investigation into whether 21st Century Legal Services is offering actual mortgage loan modification services or is just collecting upfront fees from Arkansans afraid of losing their homes."

Arkansas Securities Department Attorney Scott Freydl noted that the Attorneys General of both Indiana and Ohio had filed complaints against 21st Century Legal Services, and that the Arkansas Securities Department, along with the Arkansas Attorney General, had issued a consumer alert in March 2009 warning Arkansans about "home rescue" scams. "Homeowners in

danger of foreclosure should contact their lender or mortgage loan servicer and try to negotiate a payment plan. They should also work with reputable non-profit housing or financial counselors. And most importantly, before any homeowner sends any money or information to a so-called foreclosure consultant, they should contact the Arkansas Securities Department or the Arkansas Attorney General's office to get all of the information available about the person or company offering the service."