

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

**CASE NO. C-10-048
ORDER NO. C-10-048-10-CO01**

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ARKANSAS SECURITIES DEPT.

**IN THE MATTER OF:
NATIONWIDE MORTGAGE CONCEPTS, LLC
NMLS&R No. 4133**

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Fair Mortgage Lending Act (“FMLA”), Ark. Code Ann. §§ 23-39-501 through 23-39-518, the Rules of the Arkansas Fair Mortgage Lending Act (“Rules”) and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and the Respondent, Nationwide Mortgage Concepts, LLC (“Nationwide”), in full and final settlement of all claims that could be brought against Nationwide by the Staff on the basis of the facts set forth herein.

Nationwide admits the jurisdiction of the FMLA and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing and appeal, without admitting or denying the findings of facts made herein, consents to the entry of this order and agrees to abide by its terms.

FINDINGS OF FACT

1. Nationwide is a mortgage banker located in Rancho Mirage, California, NMLS&R number 4133. Nationwide’s mortgage banker license with the Arkansas Securities Department (“Department”) expires on December 31, 2010.

2. Approximately 1,303 Arkansas residents received a solicitation or advertising letter from Nationwide. These solicitation or advertising letters sent by Nationwide violated the FMLA and the Rules. Specifically, Nationwide's unique identifier or NMLS&R number listed on the bottom of the aforementioned letters is not the correct unique identifier or NMLS&R number for Nationwide. Further, the letters contained an official-looking emblem or seal and language designed to resemble a government mailing and/or suggests an affiliation that does not exist between the Office of Veterans Affairs and Nationwide. In addition, the street address listed in the letters for the "VA Department" is actually the address of a mail drop and not the address of any government agency as the letters imply. Finally, Nationwide's solicitation or advertising envelopes and letters as a whole were misleading and deceptive.

LEGAL AUTHORITY AND CONCLUSIONS OF LAW

3. Pursuant to Ark. Code Ann. § 23-39-510(b) each person required to be licensed shall clearly show the unique identifier of the person soliciting or originating a mortgage loan on all mortgage loan solicitations, advertisements, and any other document or medium established by rule or order of the Securities Commissioner. The acts of Nationwide as detailed in ¶ 2 constitute 1,303 violations of Ark. Code Ann. § 23-39-510(b) by Nationwide.

4. Rules of the Fair Mortgage Lending Act 5013-1(c)(5) and (7) state that an advertisement will be found to have violated Section 23-39-513(7) of the Act, if the licensee engages in advertising with envelopes or stationary that contain an official-looking emblem designed to resemble a government mailing or that suggest an affiliation that does not exist and is in such a way as to mislead the recipient to believe that the advertisement is from a state or federal government agency. In addition, it is a violation of said section to engage in any other

advertising that is misleading or deceptive. The acts of Nationwide as detailed in ¶ 2 constitute 1,303 violations of Rules of the Fair Mortgage Lending Act 5013-1(5) and (7) by Nationwide.

5. Pursuant to Ark. Code Ann. § 23-39-514(a)(1) the entry of this order is in the public interest.

6. Pursuant to Ark. Code Ann. § 23-39-514(k) the FMLA permits the informal disposition of allegations of violations by a consent order. The acts and violations of the FMLA by Nationwide as detailed in ¶ 2 warrant the entry of a consent order.

7. The Commissioner by order may impose a civil penalty that shall not exceed \$10,000.00 for each violation by a mortgage broker, mortgage banker, or loan officer upon a licensee or any partner, officer, director, member, manager, or other person occupying a similar status or performing a similar function on behalf of a licensee for any violation of the FMLA. Ark. Code Ann. § 23-39-514(b)(1) and (2). The acts and violations of the FMLA by Nationwide as detailed in ¶ 2 warrant the entry of appropriate civil penalty against Nationwide as authorized by Ark. Code Ann. § 23-39-514(b)(1) and (2).

UNDERTAKING

In settlement of this matter, without admitting or denying the findings of fact made above, Nationwide agrees to pay a civil penalty in the amount of \$20,000.00 to the Department within thirty (30) calendar days of the entry of this order.

ORDER

By agreement and with the consent of the Staff and the authorized representative of Nationwide, it is ordered that Nationwide shall be responsible for the payment of a civil penalty

in the amount of \$20,000.00 to the Department. The payment of said civil penalty shall be made by Nationwide to the Department within thirty (30) calendar days of the entry of this order.

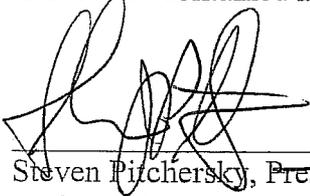
IT IS SO ORDERED.



A. Heath Abshure
Arkansas Securities Commissioner

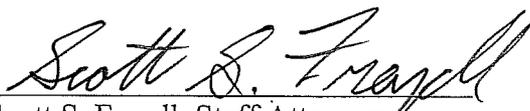
6/14/2010
Date

I hereby agree to the entry of this Consent Order, and consent to all terms, conditions, and orders contained herein, and waive any right to an appeal from this order.



Steven Pichersky, ~~President~~ *member*
Nationwide Mortgage Concepts, LLC

6/7/10
Date



Scott S. Freydl, Staff Attorney
Arkansas Securities Department

6/9/10
Date