

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

FILED

2010 SEP 27 PM 2:41

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU
OF COMPLIANCE, INVESTIGATION
AND LICENSING,

v.

USMAC CONSULTING, INC. and
THE USMAC LAW GROUP.

Docket No. : 10 ~~0229~~ (ENF-ORD)

NOTICE OF RIGHT TO APPEAL AND HEARING

You, USMAC Consulting, Inc. and The USMAC Law Group, have the right to appeal the attached Order within **10 days** of the date of service. See 1 Pa. Code § 35.20. The date of service is the date the Order is deposited in the mail or delivered to you in person, as the case may be, as set forth in 1 Pa. Code § 33.34. If you appeal the Order, you also have a right to a hearing.

To file an appeal and request a hearing on the Order, you must file a petition with the Secretary of Banking within 10 days of the date of service. 1 Pa. Code § 35.20. The petition must be in writing, state clearly and concisely your grounds of interest in the subject matter, the facts you rely upon, the law you rely upon, and the relief you seek. See 1 Pa. Code § 35.17. Please deliver your petition to:

Linnea Freeberg, Docket Clerk
Office of Executive Deputy Secretary
Pennsylvania Department of Banking
17 N. Second Street, Suite 1300
Harrisburg, PA 17101

The petition must be **received** by the Docket Clerk within the aforementioned 10 day deadline. If the Docket Clerk does not receive your petition on time, your right to a hearing will be waived and the Order will be deemed final.

If you choose to file a petition challenging the Order, please send an additional copy to:

Lauren Sassani, Assistant Counsel
Pennsylvania Department of Banking
17 N. Second Street, Suite 1300
Harrisburg, PA 17101

Once you file your petition appealing the Order and requesting a hearing, you will be notified of the hearing date, time, place, the person who will preside at your hearing, and any other pertinent information:

You have the right to be represented by an attorney. Corporations may be required to be represented by an attorney.

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§ 501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.1.-35.251.

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DEPARTMENT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA	:	Docket No. : 10	0229	PA DEPT OF BANKING
DEPARTMENT OF BANKING, BUREAU	:			(ENF-ORD)
OF COMPLIANCE, INVESTIGATION	:			
AND LICENSING,	:			
	:			
v.	:			
	:			
USMAC CONSULTING, INC. and	:			
THE USMAC LAW GROUP.	:			

ORDER

WHEREAS, the Department of Banking (the "Department") is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Mortgage Licensing Act, 7 Pa. C.S. § 6101 et seq.; and

WHEREAS, the Bureau of Compliance, Investigation and Licensing (the "Bureau") is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department; and

WHEREAS, the Mortgage Licensing Act was amended on August 5, 2009 by Act 31 of 2009, H.B. 1654 (P.N. 2448); and

USMAC Consulting, Inc.

WHEREAS, on or around June 15, 2010 the Department received a consumer complaint from _____ regarding USMAC Consulting, Inc. ("USMAC Consulting"); and

WHEREAS, USMAC Consulting is located at 23 Journey, Aliso Viejo, CA 92656. See Exhibit A; and

WHEREAS, _____ resides at _____ Coatesville, PA 19320; and

WHEREAS, _____ responded to a television advertisement for USMAC Consulting regarding mortgage loan modification services; and

WHEREAS, according to the Modification Counseling and Negotiation Agreement USMAC Consulting provided _____, USMAC Consulting is engaged in the business of mortgage “Modification, Counseling and Negotiation” (See Exhibit B); and

WHEREAS, _____ paid a total of \$3,195 in fees in three installments of \$1,065 beginning in November 2009 in advance of a mortgage loan modification being negotiated and or completed by USMAC Consulting (See Exhibits A and D); and

WHEREAS, _____ has repeatedly contacted the company to check on the status of her mortgage loan modification but her calls and letters go unanswered (See Exhibit C); and

WHEREAS, as of the date this order is issued, _____ has not received a mortgage loan modification, has not received a refund of her fees and the status of any loan modification for _____ is unknown; and

WHEREAS, by offering mortgage loan modification services to Pennsylvania consumers, USMAC Consulting has engaged in the “mortgage loan business” as defined in the Mortgage Licensing Act; and

WHEREAS, USMAC Consulting does not meet any of the exceptions to licensure in Sections 6111(b) and 6112 of the Mortgage Licensing Act. See 7 Pa. C.S. §§ 6111(b), 6112; and

WHEREAS, USMAC Consulting is not licensed to engage in the mortgage loan business in Pennsylvania; and

WHEREAS, the employees of USMAC Consulting that conduct the mortgage loan modification negotiations with third party lenders on behalf of consumers are not licensed as

mortgage originators pursuant to the Mortgage Licensing Act and do not meet any exception to licensure. See 7 Pa. C.S. § 6102; and

WHEREAS, USMAC Consulting has violated the Mortgage Licensing Act by engaging in the mortgage loan business in Pennsylvania without a license; and

WHEREAS, only licensees that have an advance fee bond are permitted to collect advanced fees. See 7 Pa. C.S. § 6131(e)(1); and

WHEREAS, USMAC Consulting as an unlicensed mortgage broker does not have a bond to collect advance fees; and

The USMAC Law Group

WHEREAS, on or around August 2, 2010 the Department received a consumer complaint from _____ regarding The USMAC Law Group (“USMAC Law”); and

WHEREAS, USMAC Law is located at 23 Journey, Aliso Viejo, CA 92656 (See Exhibit E); and

WHEREAS _____ resides at _____ Lake Ariel, PA 18436; and

WHEREAS, Mr. _____ responded to a television advertisement for USMAC Law regarding mortgage loan modification services; and

WHEREAS, on or around October 1, 2009, USMAC Law agreed to negotiate a mortgage loan modification on _____ behalf (See Exhibit F); and

WHEREAS, _____ paid USMAC Law a total of \$3,495 in fees in installments of \$1,065 beginning in January 2009 in advance of a mortgage loan modification being negotiated and or completed by USMAC Law (See Exhibit G); and

WHEREAS, in May 2009, _____ began having trouble reaching anyone at USMAC Law; and

WHEREAS, specifically, would leave messages for various USMAC Law employees, but his calls would not be returned; and

WHEREAS, in June 2009, learned that his negotiator was no longer with USMAC Law and he was transferred to another negotiator and had to resubmit paperwork; and

WHEREAS, in August 2009, again was reassigned to a new negotiator because the previous negotiator was no longer with the company; and

WHEREAS, in late August 2009, a representative of USMAC Law told not to pay his mortgage; and

WHEREAS, in October 2009, after being transferred to yet another negotiator, began requesting a refund of his fees as he still did not have a mortgage loan modification; and

WHEREAS, continuing in November 2009, calls and messages to USMAC Law went unreturned; and

WHEREAS, in June 2010 spoke with an employee of USMAC Law who stated that file had been lost; and

WHEREAS, as of the date this order is issued, has not received a mortgage loan modification, has not received a refund of her fees and the status of any loan modification for is unknown; and

WHEREAS, by offering mortgage loan modification services to Pennsylvania consumers, USMAC Law is actively engaged in and holding itself out as being engaged in the “mortgage loan business” as defined in the Mortgage Licensing Act; and

WHEREAS, USMAC Law does not meet the exception to licensure in Section 6112(2) of the Mortgage Licensing Act; and

WHEREAS, USMAC Law does not meet any of the other exceptions to licensure in Sections 6111(b) and 6112 of the Mortgage Licensing Act. See 7 Pa. C.S. § 6111(b), 6112; and

WHEREAS, USMAC Law is not licensed to engage in the mortgage loan business in Pennsylvania; and

WHEREAS, the employees of USMAC Law that conduct the mortgage loan modification negotiations with third party lenders on behalf of consumers are not licensed as mortgage originators pursuant to the Mortgage Licensing Act and do not meet any exception to licensure. See 7 Pa. C.S. § 6102; and

WHEREAS, USMAC Law has violated the Mortgage Licensing Act by engaging in the mortgage loan business in Pennsylvania without a license; and

WHEREAS, only licensees that have an advance fee bond are permitted to collect advance fees. See 7 Pa. C.S. § 6131(e)(1); and

WHEREAS, USMAC Law as an unlicensed mortgage broker does not have a bond to collect advance fees; and

Mortgage Licensing Act

WHEREAS, the Mortgage Licensing Act applies to any mortgage loan that is “(i) negotiated, offered or otherwise transacted within this Commonwealth, in whole or in part, whether by the ultimate lender *or any other person*; (ii) made or executed within this Commonwealth; or (iii) notwithstanding the place of execution, secured by real property located in this Commonwealth.” 7 Pa. C.S. § 6135(1) (emphasis added); and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines an “advance fee” as “[a]ny funds requested by or to be paid to a person in advance of or during the processing of a

mortgage loan application, excluding those fees paid by a consumer directly to a credit agency reporting bureau, title company or real estate appraiser.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines “mortgage loan business” as “[t]he business of advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “mortgage originator” as:

- (1) An individual [that] takes a mortgage loan application or offers or negotiates terms of a mortgage loan for compensation or gain.
- (2) The term does not include any of the following:
 - (i) An individual engaged solely as a loan processor or underwriter consistent with section 6112(8) (relating to exceptions to licensing requirements).
 - (ii) A person or entity solely involved in extensions of credit relating to timeshare plans. . . .
- (3) Except as set forth in paragraph (4), the term does not include an employee of a licensee or person exempt or excepted from licensure under this chapter who *solely renegotiates terms for existing mortgage loans held or serviced by that licensee or person* and who does not otherwise act as a mortgage originator.
- (4)

7 Pa. C.S. § 6102 (emphasis added); and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “first mortgage loan” as a loan which is “(1) made primarily for personal, family or household use; and (2) secured by any first lien mortgage, deed of trust, or equivalent consensual security interest on a dwelling or on residential real estate.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “secondary mortgage loan” as “(1) made primarily for personal, family or household use; and (2) secured by

any secondary lien mortgage, deed of trust, or equivalent consensual security interest on a dwelling or on residential real estate.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “mortgage loan” as “[a] first or secondary mortgage loan, or both, as the context may require.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6111(a) of the Mortgage Licensing Act provides that “. . . no person shall engage in the mortgage loan business in this Commonwealth without being licensed as a mortgage broker, mortgage lender, mortgage loan correspondent or mortgage originator as provided under this chapter. A mortgage originator may not engage in the mortgage loan business unless the mortgage originator is employed and supervised by a licensed mortgage broker, mortgage lender or mortgage loan correspondent. . .” 7 Pa. C.S. § 6111(a); and

WHEREAS, Section 6112(2) of the Mortgage Licensing Act provides an exception to licensure for attorneys at law “*not* otherwise engaged in or holding himself for herself out to the public as being engaged in the mortgage loan business who acts as a mortgage broker or a mortgage originator in negotiating or placing a mortgage loan in the normal course of legal practice.” 7 Pa. C.S. § 6112(2) (emphasis added); and

WHEREAS, Section 6131(e)(1) of the Mortgage Licensing Act provides that mortgage broker license applicants must obtain and “maintain a bond in the amount of \$100,000, in a form acceptable to the department, prior to the issuance of the license, from a surety company authorized to do business in this Commonwealth. The bond shall be a penal bond conditioned on compliance with this chapter and subject to forfeiture by the department and shall run to the Commonwealth for its use. The bond shall also be for the use of any person against the

mortgage broker for failure to carry out the terms of any provision for which advance fees are paid. . . .” 7 Pa. C.S. § 6131(e)(1); and

WHEREAS, Section 6138(a)(4) of the Mortgage Licensing Act provides the Department with authority to issue orders as may be necessary for the proper conduct of the mortgage loan business and the enforcement of the Mortgage Licensing Act. 7 Pa. C.S. § 6138(a)(4); and

WHEREAS, Section 6140(a) of the Mortgage Licensing Act provides, in relevant part that “[a] person subject to the provisions of this chapter and not licensed by the department who violates any provision of this chapter or who commits any action which would subject a license to suspension, revocation or nonrenewal under section 6139 (relating to suspension, revocation or refusal) may be fined by the department up to \$10,000 for each offense.” 7 Pa. C.S. § 6140(a); and

AND NOW, THEREFORE, since USMAC Consulting and USMAC Law have engaged in unlicensed activity, the Bureau, pursuant to its authority referenced above hereby imposes the following Order:

1. Loan Origination. Upon the effective date of this Order, USMAC Consulting, USMAC Law and any and all officers, members, managers, employees, independent contractors or agents of USMAC Consulting and USMAC Law shall cease and desist from engaging in the mortgage loan business subject to the Mortgage Licensing Act, including, but not limited to, advertising (including website advertising), accepting applications and negotiating mortgage loans and mortgage loan modifications in Pennsylvania or to Pennsylvania consumers, unless and until such time that USMAC Consulting, USMAC Law and all mortgage originators as defined by the Mortgage Licensing Act are licensed by the Department pursuant to the Mortgage Licensing Act.

2. Fine. Upon the effective date of this Order, USMAC Consulting and USMAC Law, jointly and severally, shall pay a \$1,000 fine for violating the Mortgage Licensing Act. The fine shall be made by certified check or money order made payable to the "Department of Banking" and shall be sent to the attention of the Department of Banking, Bureau of Compliance, Investigation and Licensing located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

3. Upon the effective date of this Order, USMAC Law shall provide a refund in the amount of \$3,495. USMAC Law shall provide the Bureau with evidence that the refund was paid by providing the Bureau with a copy of a cancelled/cleared check. A copy of the cancelled/cleared check shall be sent to John Talalai, Administrator, Compliance Division, at by 5:00 PM eastern time on the effective date of this Order.

4. Upon the effective date of this Order, USMAC Consulting shall provide a refund in the amount of \$3,195. USMAC Consulting shall provide the Bureau with evidence that the refund was paid by providing the Bureau with a copy of a cancelled/cleared check. A copy of the cancelled/cleared check shall be sent to John Talalai, Administrator, Compliance Division, at by 5:00 PM eastern time on the effective date of this Order.

5. Pipeline Report. Upon the effective date of this Order, USMAC Consulting and USMAC Law shall provide a list of consumers that USMAC Consulting and USMAC Law have worked with in order to negotiate mortgage loan modifications (the "Pipeline Report"). The Pipeline Report shall include, but is not limited to:

- a. The names, addresses and phone numbers of Pennsylvania consumers that have responded to advertisements or that USMAC Consulting and USMAC Law have as clients; and
- ~~b. The amount of fees collected from the consumers; and~~
- c. The current rate, term and payment of the Pennsylvania consumers' loans; and
- d. The proposed rate, term and payment of the loans subsequent to the loan modification; and
- e. The current status and/or resolution of the loan modification.

The Pipeline Report shall be sent to John Talalai, Administrator, Compliance Division, at _____ by 5:00 PM eastern time on the effective date of this Order.

The Pipeline Report shall be updated weekly, until the Bureau no longer requires updates.

6. Advertising. Upon the effective date of this Order, USMAC Consulting and USMAC Law shall provide a list of any other websites or copies of any other advertising that USMAC Consulting and USMAC Law have utilized including, but not limited to, mail solicitations. The information shall be sent to John Talalai, Administrator, Compliance Division, at _____, by 5:00 PM eastern time on the effective date of this Order.

7. Contact Information. Upon the effective date of this Order, USMAC Consulting and USMAC Law shall provide a list of all owners, officers and employees of USMAC Consulting and USMAC Law. The list shall include the name, address telephone number and position of these individuals. The information shall be sent to John Talalai, Administrator, Compliance Division, at _____ by 5:00 PM eastern time on the effective date of this Order.

8. Advance Fees. Upon the effective date of this Order USMAC Consulting and USMAC Law shall refund all advance fees collected from a Pennsylvania consumer and shall cease and desist from collecting any future advance fees unless and until such time as USMAC Consulting and USMAC Law obtain bonds to collect advance fees. Proof of the refunded advance fees shall be made in the form of cancelled/cleared checks and shall be sent to John Talalai, Administrator, Compliance Division, at _____ by 5:00 PM eastern time on the effective date of this Order.

9. Non-prohibited Conduct. Nothing in this Order shall prevent USMAC Consulting and USMAC Law from negotiating loan modifications for Pennsylvania consumers listed on the Pipeline Report provided the consumers want USMAC Consulting and USMAC Law to proceed on their behalf. USMAC Consulting and USMAC Law are only permitted to process the Pipeline Reports as provided in Paragraph 5 and may not accept any new business unless and until such time as USMAC Consulting and USMAC Law are licensed as provided in Paragraph 1.

10. Reservation of Rights. Nothing in this Order shall prevent the Bureau from taking any further administrative action as deemed necessary including, but not limited to imposing fines pursuant to Section 6140(a) or (b) of the Mortgage Licensing Act or seeking restitution for consumers.

IT IS SO ORDERED.

John Talalai, Administrator
Department of Banking,
Bureau of Compliance, Investigation and Licensing

9/27/2010
(Date)

EXHIBIT A

Statement

USMAC Consulting, Inc
 23 Journey
 Aliso Viejo, CA 92532

Date
1/29/2010

To:
COASTESVILLE, PA 19320

		Amount Due	Amount Enc.		
		\$0.00			
Date	Transaction	Amount	Balance		
08/29/2009	Balance forward		0.00		
11/24/2009	INV #602	3,195.00	3,195.00		
	--- 1000 \$3,195.00				
11/24/2009	PMT V-CHK 1973	-1,065.00	2,130.00		
12/15/2009	PMT V-CHK 2973	-1,065.00	1,065.00		
12/17/2009		1,065.00	2,130.00		
	NSF				
	--- Less Chargeback \$1,065.00				
12/21/2009	PMT V-CHK 3973	-1,065.00	1,065.00		
12/23/2009		1,065.00	2,130.00		
	NSF				
	--- Less Chargeback \$1,065.00				
12/24/2009	PMT V-CHK 3973	-1,035.00	1,095.00		
01/25/2010	PMT V-CHK 4973	-1,065.00	30.00		
01/25/2010	CREDMEM #698.	-30.00	0.00		
	--- chargeback \$-30.00				
01/25/2010		1,065.00	1,065.00		
	nsf ck 4973				
	--- Less Chargeback \$1,065.00				
01/27/2010	PMT V-CHK 5973	-1,065.00	65.00		
01/29/2010	CREDMEM #708.	-65.00	0.00		
	--- chargeback \$-65.00				
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00	0.00	0.00	0.00	0.00	\$0.00

EXHIBIT B

USMAC Consulting Inc.

MODIFICATION COUNSELING AND NEGOTIATION AGREEMENT

This Agreement will not take effect, and the Consultant will have no obligations to provide modification services, until Client returns a signed copy of this Agreement.

RECITALS:

WHEREAS, USMAC Consulting is in the business of Modification, Counseling and Negotiation;

WHEREAS, Client wishes to employ USMAC Consulting to negotiate with their current lenders on real estate to restructure the current debt in a way that will allow Client to achieve and maintain financial stability;

WHEREAS, Client understands and hereby acknowledges that modification services provided by USMAC Consulting are not guaranteed, no particular result has been promised or guaranteed, no prediction of result has been made;

WHEREAS, Client understands that USMAC Consulting is not a law firm and is not holding itself out to be a law firm or in anyway engaged in the practice of law.

NOW THEREFORE, in consideration of the foregoing and every term, covenant and condition hereafter set forth, USMAC Consulting, client do hereby understand, covenant and agree as follows:

OBLIGATIONS OF CLIENT:

Provide Complete and Truthful Information. Client shall provide USMAC Consulting, in a timely fashion, all information requested by USMAC Consulting reasonably necessary for USMAC Consulting to perform the Services. Failure by Client to provide USMAC Consulting all information so requested within seven (7) day's execution hereof shall constitute a waiver by USMAC Consulting of any obligation for performance hereunder. Client expressly represents and warrants to USMAC Consulting that he/she/they will at all material times, provide USMAC Consulting with information that is accurate and true to the best of their knowledge and belief. Client hereby agrees to defend and hold harmless USMAC Consulting from and Counseling Agreement against any liability of any nature whatsoever arising out of or in connection with Client's breach, in whole or in part, of the representations and warranties herein contained.

Client agrees to be truthful with USMAC Consulting, to keep USMAC Consulting informed of any information and developments which come to Client's attention, to abide by this Agreement, to pay USMAC CONSULTING's fees and costs on time and to keep USMAC Consulting advised of Client's address, telephone number(s) and whereabouts. Client agrees to provide USMAC Consulting with any and all notices received from mortgage lender(s) and/or loan servicer(s) within three (3) business days of receipt. Client agrees to appear at all meetings USMAC Consulting deems necessary and to cooperate fully with USMAC Consulting.

SCOPE OF SERVICES:

Upon receipt of the flat fee pursuant to "Consultant Fees and Additional Fees and Costs" paragraph set below, USMAC Consulting will undertake to provide the following services to Client:

1. An analysis of Client's present financial situation based on documentation provided by Client;
1. Assistance in preparation of a loan modification request package and transmittal of the same to the Lender based on information provided by Client;
2. Assist Client in the preparation and drafting of a hardship letter to the Lender;
3. Conduct phone calls with the Lender in an attempt to negotiate a loan modification, if possible, of the Loan;
4. Promptly communicate the results of USMAC Consulting's efforts to Client (collectively referred to as the "Services").

USMAC Consulting does not provide brokerage, accounting, and/or legal services. Client is advised to consult with client's broker and/or accountant regarding any issues that may affect client in areas outside the scope of USMAC Consulting. Loan modification can have significant legal and tax implications. Furthermore, in the event client directly negotiates with the lender after retaining USMAC Consulting's services, this agreement will automatically terminate without notice to client and USMAC Consulting will retain one hundred percent (100%) of the fees paid and the client's file will be deemed closed. USMAC Consulting disclaims any responsibility or liability arising from any loan modification services if the client communicates directly with the lender.

ENTIRE AGREEMENT:

This Agreement constitutes the entire agreement between the parties. USMAC Consulting makes no warranty, express or implied, as to the fitness of any recommendation it may make to Client arising out of this Agreement. Except for cause, Client unconditionally waives any right of action against USMAC Consulting, its officers, directors, employees, agents, brokers and assigns, at law, equity or any other cause of action for any reason, directly, indirectly or proximately believed to arise out of this Agreement, for any damages of any nature whatsoever that Client may incur by reason of Client following any recommendation of USMAC Consulting or Client's failure to follow any recommendation of USMAC Consulting, whether singular, concurrent or series of recommendations are acted upon or not acted upon in whole or in part by Client.

CONSULTANT & STAFF:

Consultant has the right to bring attorneys to work on this case. Also, Client gives the power for all other consultants, processors, case managers and interns who are now working for Consultant as employees or independent contractors or individuals who are hired in the future, to work on this case.

GENDER:

Whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the neuter gender shall include the male and female as well as a trust, company, corporation, or other legal domestic or foreign entity, all as the context and meaning of which this Agreement may require.

HEADINGS:

The paragraph titles and headings contained in this Agreement are inserted as a matter of convenience and for ease of reference only, and shall be disregarded for all other purposes including the construction or enforcement of this Agreement or any of its provisions.

CROSS-REFERENCES:

All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement and shall not be deemed to be references to the overall agreement or to any other agreements or documents.

TIME ESSENCE:

Time is of the essence for every provision of this Agreement that specifies a time for performance.

FACSIMILE SIGNATURES:

The parties mutually understand and agree that signature of a facsimile copy of this Agreement shall be deemed an original for all lawfully enforceable purposes.

AGREEMENT RECEIVED:

By virtue of their signatures below, Client acknowledges that he/she has read, understands and agrees to every term, covenant and condition of this Agreement and that he/she has received a true and complete copy hereof, effective the date first above written.

COUNTERPART EXECUTION:

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Client retains Consultant to represent Client in connection with facilitating loan modification of residential property.

USMAC Consulting will consult and broker a Client in a counseling and negotiation capacity only. No litigation or litigation related activities are contemplated at this time, and this Agreement does not encompass such matters.

USMAC Consulting will provide only those services reasonably required to represent Client in the matters described above and will take reasonable steps to keep Client informed of significant developments, and to respond promptly to Client's inquiries and communications. Client agrees to be truthful with USMAC Consulting, to keep USMAC Consulting informed of any information and developments which come to Client's attention, to abide by this Agreement, to pay USMAC Consulting's fees and costs on time and to keep USMAC Consulting advised of Client's address, telephone number(s) and whereabouts. Client agrees to appear at all meetings USMAC Consulting deems necessary and to cooperate fully with USMAC Consulting on all matters related to the investigation, preparation and presentation of Client's claims.

CONSULTANT FEES AND ADDITIONAL FEES AND COSTS:

Client will pay the Consultant the fixed sum of \$ 3,795.00 paid in the form of a cashier's check, money order, Visa, MasterCard, or Personal Electronic Checks, for loan modification services. Service provided will begin on Client's behalf prior to the receipt of payment of fees per agreed payment plan. Client may elect to pursue other remedies for which other fees and costs may be required based on state of residency and individual situation.

CANCELLATION AND REFUND POLICY:

Client will be entitled to a prorated refund of the fee in the event that USMAC Consulting is unable to successfully negotiate a workout solution on behalf of client. A successful workout solution may include an exit strategy or other terms that did not meet the client's original expectations. USMAC Consulting cannot guarantee the terms of the workout solution, or that one will be reached. Client acceptance of the workout solution is not required to be considered a successful negotiation.

There is no stated or implied guarantee of negotiation outcome. Modifications are negotiated with and offered by bank(s), lender(s), and/or servicer(s) on a case by case basis. USMAC Consulting provides a flat fee service rate as described in this Agreement. Should Client request cancellation of services from USMAC Consulting, during the retainer period, some actual and reasonable costs, fees, and expenses related to work performed on Client's behalf, may be retained by USMAC Consulting according to the schedule below.

- A. Cancellation within 48 hours of initial payment for any reason - Full refund less \$750.00 processing and administration fee.
- A. Cancellation after completed Hardship Package received by USMAC Consulting package reviewed - Full refund less one-half administration fee.
- B. Cancellation after USMAC Consulting has submitted modification proposal to bank(s), lender(s), and/or servicer(s), and negotiation has begun and/or is ongoing - Partial refund of maximum one-third of the full fee, based on Fee Agreement/Payment Plan amount.
- C. Should Client pay in full, and has provided all required documents for USMAC Consulting to submit Client's file for a loan modification request, and USMAC Consulting has had 2 modification proposals rejected by the bank(s), lender(s), and/or servicer(s) after 120 days of receipt of your hardship package, USMAC Consulting will refund one-third of the fee at the Client's request.

In addition, should Client need to adjust, change or suspend a previously agreed upon Payment Plan due to new circumstances, Client must contact our office at least 48 hours in advance of the date for the planned payment in order to accommodate any changes in a timely manner for Client. A 24-hour Payment Change Request or Cancellation "Hotline" has been established. The Payment Hotline Number is toll free and 24-hours a day and is (888) 320.2352.

DISCHARGE AND WITHDRAWAL:

Client may discharge USMAC Consulting at any time, upon written notice to USMAC Consulting. USMAC Consulting may withdraw from representation of Client (a) with Client's consent, (b) upon court approval, (c) for good cause upon reasonable notice to Client, or (d) for Client's failure to cooperate with USMAC Consulting and provide documents and information. Good cause includes, but is not limited to, Client's breach of this Agreement, Client's refusal to cooperate with USMAC Consulting or to follow USMAC Consulting's advice on a material matter, or any other fact or circumstance that would render USMAC Consulting's continuing representation unlawful or unethical.

INDEMNITY:

Client shall, to the fullest extent permitted by law, indemnify, defend (with legal counsel acceptable to USMAC Consulting), protect and hold harmless USMAC Consulting and its respective shareholders, directors, officers, employees, consultants, parent, subsidiary and affiliated entities, partners, members, sureties, insurers, Consultants, agents predecessors, successors and assigns (individually and collectively "USMAC Consulting") from and against any and all claims, actions, causes of action, rights, defenses, demands, allegations, damages, fines, penalties, liabilities, losses, encumbrances, liens, obligations, settlements, judgments, awards, appeals, costs, expenses (including but not limited to actual fees and costs of Consultants, expert witnesses and other consultants) of any kind or character in law, equity, or otherwise (individually, a "Claim" and collectively, "Claims") regarding, arising out of or in connection with or in any manner relating to the Services and Client's Loan, including without limitation any misrepresentation or false statements made by Client in connection with Client's Loan (including but not limited to any active or passive negligence or breach of this Agreement by Client); provided, however, that such indemnification shall not apply to the extent any Claims are caused by the gross negligence or willful misconduct of USMAC Consulting.

SEVERABILITY:

In the event any provision of this Agreement shall be held to be void, voidable or unenforceable, such provision shall be severed, and the remaining provisions of this Agreement shall remain in full force and effect.

ASSIGNMENT:

Consultants may assign this Agreement, in whole or in part, without Client's prior written consent, to a controlled subsidiary, affiliate or purchaser of all or substantially all of USMAC Consulting's assets used in connection with performing this Agreement, provided that assignee assumes all obligations of USMAC Consulting under this Agreement.

DISCLAIMER:

Neither this Agreement nor USMAC Consulting purports, or intends to purport, to address other claims and/or loans of the Client that may arise and may require additional professional services including, but not limited to legal, accounting, or brokerage services.

If additional professional services are necessary in connection with Client's claims and/or Loan, Client must seek counsel from the appropriate field as USMAC Consulting does not perform such services.

Please be informed that you have submitted a flat fee payment and, as such, you are entitled to reasonable service. As you are not paying an hourly rate, reasonable contact from our office can be expected on a weekly basis and/or more frequently as necessary. Please be advised that unless issues arise demanding daily or more frequent contact, weekly or as-necessary contact will constitute the norm.

USMAC Consulting does not guarantee any result arising from the Services provided for Client. Nothing contained herein is intended to or may be construed as a promise or guarantee. Moreover, USMAC Consulting cannot promise, predict, or otherwise guarantee that Client's Loan will be modified or adjusted.

Any statements by USMAC Consulting or its employees regarding the outcome of Client's matter are expressions of opinion only. Client acknowledges USMAC Consulting has not promised or guaranteed to stop any foreclosure sale of Client's property.

Other than the fee structure discussed above, no out-of-pocket monies will be due from Client to USMAC Consulting for legal services.

The fees set forth above are not set by law, but are negotiated between USMAC Consulting and Client.

USMAC Consulting will incur various costs and expenses in performing legal services under this Agreement. USMAC Consulting agrees to pay for all costs and expenses. Costs and expenses commonly incurred include photocopying and reproduction costs, notary fees, long distance telephone charges, messenger and delivery fees, postage, travel costs including parking, travel and lodging expenses, investigation expenses, and other similar items.

USMAC Consulting will not make any settlement or compromise of Client's claims without Client's prior approval. Client retains the right to accept or reject any adverse party settlement offer, if applicable. Client agrees not to make any settlement or compromise of Client's claims without prior notice to USMAC Consulting.

Nothing in the Agreement and in USMAC Consulting's statements to Client may be construed as a promise or guarantee about the outcome of this matter. USMAC Consulting makes no such promises or guarantees. There can be no

EXHIBIT C

May 12, 2010

To: USMAC Consulting

From: , Coatesville, PA 19320

I applied to your company for help getting a loan modification from Bank of America last November 2009. I learned almost 2 months ago that I was turned down for the modification. I have tried to reach you since then to discuss a refund of the monies I paid to you, but my many phone calls have not been returned.

I am formally requesting a refund of the monies I paid to you. I am on a fixed income and I desperately need a return of my money. I had never once had a missed mortgage payment on my mortgage until I started doing business with you. Because you instructed me to pay you \$1065 each month instead of paying my mortgage, my mortgage is now significantly past due and Bank of America is considering foreclosure. I have lived in this house for over 40 years and I cannot lose it. I have nowhere else to live.

Please send a refund check to my home address or give me a call at to discuss this situation. Thank you.

EXHIBIT D

USMAC Consulting Inc.

Loan Modifications

Client Installment Payment Agreement

Client Name:

Initial Payment of: \$ 1005 Initial Here: _____ Date: 11-30-09

Thank You for allowing USMAC Consulting Inc. to facilitate the processing of your Loan Modification application. We realize that times are difficult for many homeowners. In an effort to bring relief to some of your financial burdens, we understand that it is your desire to make installment payments on your loan modification application. This agreement provides for "installment payments" made to our firm. Fees are earned upon receipt of payment.

I have agreed to installment payments on the following terms and dates.

- 1. A payment of \$ 1005 is due on 12-30-09 Initial Here
- 2. A payment of \$ 1005 is due on 1-30-09 Initial Here

I authorize USMAC Consulting Inc. to withdraw payment from my bank or credit card based the original form of payment supplied. I authorize this payment to be withdrawn AUTOMATICALLY on the above dates WITH OR WITHOUT NOTICE. In the event that the funds to be withdrawn are denied by my credit card company and or bank, I will immediately notify USMAC Consulting Inc. of any payment arrangement changes or issues in regards to this agreement. I agree to make all payments in a timely manner per the above schedule. NSF Check Charges Effective January 2009 - there is a \$30.00 charge on all checks returned from your bank. This will need to be included in the next payment. In case of NSF we will require a "cashier's check" on all future installments.

Make any checks (personal, money orders or cashier checks" payable only to USMAC Consulting Inc.

Checks written otherwise will be returned un-cashed, possibly delaying the application process.

I understand and agree to the following payment terms as stated above.

X
Client Signature _____ Date 11-30-09

Client Signature _____ Date _____

MANAGER'S SIGNATURE: _____ DATE: _____

EXHIBIT E

9/28/2009

file:///C:/Users/angie/AppData/Local/Temp/LowMSG14TR9J.htm

<p>Loan Modification Specialist USMAC Law Group 23 Journey Aliso Viejo, CA 92658 800-653-6148 ext Fax# (team leaders) first.last@usmaclaw.com</p> 	<p>To: Fax number:</p>
	<p>From: Sarah Hedberg Fax number: 949-812-7665</p>
	<p>Date: Thursday, October 01, 2009</p>
	<p>Regarding: Letter of Authorization Loan Modification</p>
	<p>Phone number for follow-up: 800-653-6148 ext 5173</p>

Comments:

Attached is the letter that I promised along with the new Letter of Authorization that needs to be signed and faxed back to Bree at (949) 812-7665. If you have any questions, please contact Bree at ext. 5173. Of course, feel free to contact me if you are having any problems.

Thank you,

Sarah Hedberg

EXHIBIT F

THE USMAC LAW GROUP A Professional Corporation

ADMITTED TO THE ILLINOIS STATE BAR
Lowell Leonard Gimbel
Kevin Benjamin *

* Also Member Florida Bar
and of counsel.

ADMITTED TO THE CALIFORNIA STATE BAR
Paul V. Reza
Leo Miras
Nicholas Grafstrom
Sarah Hedberg
Simone Devenny

October 1, 2009

Lake Ariel, PA 18436

It was a pleasure speaking with you today.

First, I wanted to inform you that Mr. Dillon has resigned from the State Bar of California and is no longer practicing law or associated with this office. The USMAC Law Group was contracted by The Law Offices of Christian Dillon to process the loan modification file on your behalf.

The USMAC Law Group has offered to take over the processing of your loan modification file from Christian Dillon effective upon receipt of the attached Letter of Authorization allowing USMAC Law Group to contact your lender.

The USMAC Law Group will pursue your loan modification free of any charges over and above what had been previously contracted between you and Mr. Dillon.

If you should have any questions or concerns, please feel free to call me at the number below.

Very Truly Yours,

Sarah Hedberg
Associate Attorney
The USMAC Law Group

23 Journey, Aliso Viejo, CA. 92656-3333
Telephone: 949-305-8040 Fax: 949-305-8047
www.usmaclaw.com

EXHIBIT G



Statement

TO	DATE
----	------

1/28/2009

LAKE ARIEL, PA 18436

DUE DATE	AMOUNT DUE
1/28/2009	\$2,495.00

DATE	DESCRIPTION	AMOUNT	BALANCE
10/31/2008	Balance forward		0 00
01/27/2009	INV #51272.	3,495 00	3,495.00
	--- 1000 \$3,495.00		
01/27/2009	PMT VISA	-750.00	2,745 00.
01/28/2009	PMT VISA	-250.00	2,495.00

CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	AMOUNT DUE
0 00	2,495.00	0.00	0.00	0.00	\$2,495 00

USMAC/CITYWIDE

Phone #. 949-215-6938 Fax #. 949-306-8049

Web Site. www.loanmodonline.com

E-mail: compliance@usmaonline.com

Statement

TO	DATE
----	------

2/27/2009

LAKE ARIEL, PA 18436

DUE DATE	AMOUNT DUE
----------	------------

2/27/2009

\$0.00

DATE	DESCRIPTION	AMOUNT	BALANCE
01/27/2009	Balance forward		2,745.00
01/28/2009	PMT VISA	-250.00	2,495.00
02/06/2009	CREDMEM #51384, --- 1000 \$-1,000.00	-1,000.00	1,495.00
02/27/2009	PMT Visa	-1,495.00	0.00

CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	AMOUNT DUE
0.00	0.00	0.00	0.00	0.00	\$0.00

USMAC/CITYWIDE

Phone #: 949-215-6938 Fax #: 949-305-8049

Web Site: www.usmaonline.com

E-mail: compliance@usmaonline.com

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

FILED

2010 SEP 27 PM 2:41

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU
OF COMPLIANCE, INVESTIGATION
AND LICENSING,

v.

USMAC CONSULTING, INC. and
THE USMAC LAW GROUP.

Docket No. : 10 0299 PA DEPT. OF BANKING
(ENF-ORD)

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST CLASS MAIL AND FACSIMILE

USMAC Consulting, Inc.
23 Journey
Aliso Viejo, CA 92656
Fax: (949) 748-5184

The USMAC Law Group
23 Journey
Aliso Viejo, CA 92656
Fax: 949-812-7665

Dated this 27th day of September, 2010.

Lauren A. Sassani
Assistant Counsel
Attorney I.D. # 203016
FOR: Commonwealth of Pennsylvania
Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471