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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

2010 FEB 12 PM 1:52

PA DEPT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA	:	Docket No. : 10 <u>0012</u> (ENF-ORD)
DEPARTMENT OF BANKING, BUREAU	:	
OF COMPLIANCE, INVESTIGATION	:	
AND LICENSING,	:	
	:	
	:	
v.	:	
	:	
NATIONWIDE MORTGAGE LOANS, INC.	:	

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NOTICE OF RIGHT TO APPEAL AND HEARING

You, Nationwide Mortgage Loans, Inc., 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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PA DEPT OF BANKING

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

v.

NATIONWIDE MORTGAGE LOANS, INC.

Docket No. : 10 0012 (ENF-ORD)

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 amended the Mortgage Act on August 5, 2009. *See* 7 Pa. C.S. § 6101 et seq., amended by Act 31 of 2009, H.B. 1654 (P.N. 2448); and

WHEREAS, Nationwide Mortgage Loans, Inc. maintains a website, [www.bdnationwidemortgage.com](http://www.bdnationwidemortgage.com); and

WHEREAS, Nationwide Mortgage Loans, Inc. advertises that it is in mortgage loan modification business. *See* Exhibit A; and

WHEREAS, "Pennsylvania" and "Loan Modification" are included in the dropdown menu for the customer service form under "Contact Nationwide Mortgage Loans". *See* Exhibit B; and

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 "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 "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 6102 of the Mortgage Licensing Act defines a "mortgage originator" as "(1) [a]n individual [who] takes a mortgage loan application or offers or negotiates terms of a mortgage loan for compensation or gain." 7 Pa. C.S. § 6102; and

WHEREAS, by advertising the loan modification business to Pennsylvania consumers, Nationwide Mortgage Loans, Inc. has engaged in the "mortgage loan business" as defined in the Mortgage Licensing Act; 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, Nationwide Mortgage Loans, Inc. 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, Nationwide Mortgage Loans, Inc. is not licensed to engage in the mortgage loan business in Pennsylvania; and

WHEREAS, Nationwide Mortgage Loans, Inc. has violated the Mortgage Licensing Act by engaging in the mortgage loan business in Pennsylvania without a license; 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 Nationwide Mortgage Loans, Inc. has 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, Nationwide Mortgage Loans, Inc. and any and all officers, members, managers, employees, independent contractors or agents of Nationwide Mortgage Loans, Inc. 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 Nationwide Mortgage Loans, Inc. and all loan originators as defined by the Mortgage Licensing Act are licensed by the Department pursuant to the Mortgage Licensing Act.

2. Pipeline Report. Upon the effective date of this Order, Nationwide Mortgage Loans, Inc. shall provide a list of consumers who Nationwide Mortgage Loans, Inc. has 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 consumers that have responded to Nationwide Mortgage’s advertisements (including bdnationwidemortgage.com) or that Nationwide Mortgage has as clients; and
- b. The amount of fees collected from the consumers; and
- c. The current rate, term and payment of the 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 list shall be sent to John Talalai, Administrator, Compliance Division, at jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

3. Advertising. Upon the effective date of this Order, Nationwide Mortgage Loans, Inc. shall provide a list of any other websites or copies of any other advertising that Nationwide Mortgage Loans, Inc. utilizes including, but not limited to, mail solicitations. The information shall be sent to John Talalai, Administrator, Compliance Division, at jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

4. Contact Information. Upon the effective date of this Order, Nationwide Mortgage Loans, Inc. shall provide a list of all owners, officers and employees of Nationwide Mortgage Loans, Inc. 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 jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

5. Non-prohibited Conduct. Nothing in this Order shall prevent Nationwide Mortgage Loans, Inc. from negotiating loan modifications for consumers listed on the Pipeline Report if the consumers listed on the Pipeline Report provided the consumer wants Nationwide Mortgage Loans, Inc. to proceed on his/her behalf.

6. 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

2-12-2010  
(Date)



EXHIBIT A



Nationwide Lending with Record Low Mortgage Rates

Home | Apply Now | Mortgage Refinance | Home Equity Loans | FHA Loan | Second Mortgage | Debt Consolidation | Refinance

### Mortgage Loan Modification

Get Mortgage Relief with Loan Workouts, Negotiated Lower Rate Modifications

Nationwide Mortgage Loans provides mortgage relief with experienced loss mitigation attorneys that provide home loan modifications and mortgage restructuring for foreclosure prevention and lower monthly payments. Borrowers coast to coast have been benefitting from reduced interest rates that were renegotiated in the note modification. According to mortgage executive, Jeff Morris, "There has never been a more rewarding time in American history for borrowers who are delinquent on their mortgage." Clearly times are tough, but the tide has shifted with homeowners collectively having more leverage than the banks regarding renegotiating new terms and loan workouts.

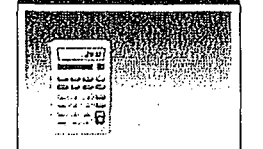
Our team can help you negotiate a mortgage rate modification, a loan workout or short sales. Loss mitigation lawyers can help explain the mortgage laws and your rights as a homeowner and mortgage rights in general. The foreclosure crisis has created a opportunity for homeowners to stop the foreclosure process and improve their finances with a loan modification agreement that lowers the mortgage rate and monthly payments. Its is highly unlikely that this trend of reworking home mortgages will last, so take advantage of this opportunity and let the mortgage mitigation experts negotiate your loan beyond your wildest dreams.

#### No Credit Score Requirements for Mortgage Loan Modifications



With the foreclosure epidemic consuming the American economy, it is imperative that you lock into a mortgage that secures a monthly payment that you can afford. If you are behind on your mortgage and need a mortgage loan modification, don't wait any longer to get help. Nationwide can help you stop foreclosure and renegotiate

#### Resource Tools



**ARM vs. Fixed Rate Calculator**  
How does a fixed rate 1st or 2nd mortgage compare to an adjustable rate mortgage or home equity line of credit?



Find the best FHA mortgage

#### Free Finance Guides & Helpful Consumer Reports

Take advantage of our free finance guides and disclosures.

### No Credit Score Requirements for Mortgage Loan Modifications



Modify Your Mortgage and Stop Foreclosure

With the foreclosure epidemic consuming the American economy, it is imperative that you lock into a mortgage that secures a monthly payment that you can afford. If you are behind on your mortgage and need a mortgage loan modification, don't wait any longer to get help. Nationwide can help you stop foreclosure and renegotiate lower mortgage rates and terms you can live with.

#### Foreclosure Prevention Options Save Homes by Restructuring Loans

Basically, homeowners have two options, refinance with a FHA home loan or modify your existing mortgage with a reduced principal balance or lower interest rates.

Our network of attorneys has experience with debt settlement and foreclosure prevention. They have had success negotiating reduced mortgage balances and forgiven mortgage payments. The time has never been better for homeowners to leverage this crisis into lower mortgage payments.

**Please Complete the following form and we will have a customer service representative follow up with you promptly.**

Subject:

First Name:  Last Name:

Email:  Phone:

State:

Comment:



#### Free Finance Guides & Helpful Consumer Reports

Take advantage of our free finance guides and disclosures.

- [Credit Score Info](#)
- [ARM Rate Mortgage Guide](#)
- [Consumer Guide - Rate Locks](#)



[Bush Signs Mortgage Bailout Bill Passed by Congress](#)

[Mortgage Refinancing Versus Loan Modification - By Bryan Diernan](#)

EXHIBIT B

**Please Complete the following form and we will have a customer service representative follow up with you promptly.**


Subject: **Loan Modification**

First Name:  Last Name:

Email:  Phone:

State: **Pennsylvania**

Comments:



Nationwide Mortgage Loans offers low rate refinancing and loan modifications.


Select from loan modification programs that forgive payments, lower interest rates and even disregard second mortgages. It's not too late to salvage your mortgage and keep your home, but getting a loan modification is essential.

**Loan Modification Testimonials**

"We were a little apprehensive about the loan modification process at first, but it actually was a lot easier than refinancing our house. It took about 45 days, but we were able to get quick payment relief and stop the impending foreclosure.

Looking back, we avoided a short sale or foreclosure and we have a 30 year fixed rate mortgage payment we can actually afford. Thank you Nationwide for your advice and dedication to helping us retain our homeownership

— The Gardener Family



Don't sit back and do nothing. Evaluate FHA home refinancing options or mortgage loan

[Bush Signs Mortgage Bailout Bill Passed by Congress](#)

[Mortgage Refinancing Versus Loan Modification - By Bryan Dornan](#)

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Looking back, we avoided a short sale or foreclosure and we have a 30 year fixed rate mortgage payment we can actually afford. Thank you Nationwide for your advice and dedication to helping us retain our homeownership

- The Gardener Family

Don't sit back and do nothing. Evaluate FHA home refinancing options or mortgage loan modification choices. Thousands of borrowers have reported saving hundreds, even thousands of dollars a month after successfully modifying their mortgage. If you do not qualify for a secure debt consolidation loan, consider **debt settlement** because it could cut your monthly payments in half and help you avoid a bankruptcy.

**Podcast: Mortgage Refinancing Discussions...**

Nationwide Mortgage Loans spoke to PR Web recently about the positive impact the new **FHA mortgage** loan limits will have with homeowners who have been unable to refinance out of their ARM for the last few years because their current home loan balance was larger than the mortgage limits that FHA, Fannie Mae and Freddie Mac set forth for conventional home mortgages.

Press Play To Hear Podcast

**Other Popular FHA Refinance Loans:**

- [FHA Refinancing Loans](#) | [Secure FHA Refinance](#) | [FHA Streamline Refinance](#) | [95% FHA Cash Out Refinance Loans](#) | [97% FHA Refinance Loans](#) | [FHA Mortgage Rate Refinance](#) | [FHA Mortgage Loans for Fair Credit Refinancing](#) | [FHA Refinance](#) | [95% Cash Out FHA Refinance Loans](#) | [Loan Refinance](#) | [Home Affordable Refinance Program](#)

[Mortgage Refinance Rates](#) | [FHA Mortgage Loan](#) | [State Guidelines](#) | [Apply Now](#) | [About Us](#) | [Contact Us](#) | [Testimonials](#) | [Privacy](#) | [Site Map](#)

Nationwide Mortgage Loans, 515 Encinitas Blvd. Ste 100, Encinitas CA 92024, 1-877-212-9478  
Nationwide is affiliated with a federally chartered bank located in Maryland licensed to offer home loans in all 50 states.  
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	:	
	:	
v.	:	
	:	
NATIONWIDE MORTGAGE LOANS, INC.	:	

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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

Nationwide Mortgage Loans, Inc.  
515 Encinitas Blvd. Suite 100  
Encinitas, CA 92024

Dated this 12<sup>th</sup> day of February, 2010.

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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