



After you file the Answer, you will be notified of the identity of the person designated to preside at the hearing, and any other pertinent information. You have the right 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.

FILED

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

2019 MAR 29 AM 9:02

COMMONWEALTH OF PENNSYLVANIA :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :

PA DEPARTMENT OF  
BANKING AND SECURITIES

v.

DOCKET NO. 19 0021 (BNK-C&D)

NATIONWIDE DEBT DIRECT LLC

**ORDER TO CEASE AND DESIST**

AND NOW, this 29<sup>th</sup> day of March 2019, the Department of Banking and Securities (“Department”), Compliance Office, hereby Orders Nationwide Debt Direct LLC (“NDD”) to immediately CEASE AND DESIST from activities in violation of the Debt Settlement Services Act (“DSSA”), 63 P.S. § 2501 *et seq.* This Order applies to the named party and any person, corporation, or company under the control of the named party.

**Facts**

In support of its Order, the Compliance Office states the following:

**Parties**

1. The Department of Banking and Securities (“Department”) is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the Debt Settlement Services Act, 63 P.S. § 2501 *et seq.*

2. The Department’s Compliance Office has the primary responsibility to administer and enforce the DSSA on behalf of the Department.

3. The Compliance Office is located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

4. NDD's principal place of business is located at 6200 Tennyson Pkwy, Ste 180, Plano, TX 75024.

5. At all times material herein, NDD has been engaged in providing a debt settlement program to Pennsylvania consumers whereby it attempts to negotiate a possible settlement of all or some of the consumers unsecured debt with his/her creditors or their agent for a fee ("Nationwide Debt Direct LLC's Debt Settlement Program").

### **Background**

6. Section 301(a) of the DSSA states that "a provider may not market, solicit, offer to provide or provide debt settlement services for a fee or other consideration to an individual who resides in [Pennsylvania] at the time it agrees to provide the services, unless the provider is licensed under this act." 63 P.S. § 2521(a).

7. Section 102 of the DSSA defines "debt settlement services" as "[s]ervices as an intermediary between an individual and one or more unsecured creditors of the individual for the purpose of obtaining concessions where the contemplated concessions involve a reduction in principal of the individuals' unsecured debt owed for personal, family or household expenses to at least one creditor." 63 P.S. § 2502.

8. Respondent's Debt Settlement Program is a "debt settlement service" within the meaning of Section 102 of the DSSA. 63 P.S. § 2502.

9. Section 102 of the DSSA defines "provider" as a "person that provides, markets, solicits, offers to provide or agrees to provide debt settlement services." 63 P.S. § 2502.

10. Section 102 of the DSSA defines "person" as "-[a]n individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture or any other legal or commercial entity." 63 P.S. § 2502.

11. NDD is a “provider” within the meaning of Section 102 of the DSSA. 63 P.S. § 2502.

#### **Authority of the Department**

12. Section 701(4) of the DSSA authorizes the Department to issue orders to ensure the proper administration or enforcement of the DSSA. 63 P.S. § 2571(4).

13. Section 704(a) authorizes the Department to impose a civil penalty of up to \$10,000 for each violation of the DSSA. 63 P.S. § 2574(a).

14. Section 701(6) of the DSSA authorizes the Department to order restitution for actual damages to consumers caused by a violation of this Act or to refund fees collected in violation of the DSSA. 63 P.S. § 2571(6).

15. The licensing requirement of the DSSA became effective January 1, 2015.

#### **NDD’s Unlicensed Activities**

16. NDD has or had a website that describes its debt settlement program. The web address is: <http://nationwidedebtdirect.com/>.

17. From January 1, 2015, through the present, NDD has provided a “Debt Settlement Program” to Pennsylvania residents and collected fees for the service.

18. In February of 2019, NDD provided, upon request of the Department, a document containing: (1) a list of its Pennsylvania customers, (2) the customers’ enrollment dates, and (3) the fees collected from the Pennsylvania customers.

19. The document indicated NDD provided debt settlement services to 108 Pennsylvania consumers and collected \$350,240.47 in fees from those consumers.

20. Additionally, the Department obtained records from a licensed money transmitter used to facilitate transactions made by Pennsylvania consumers to NDD. Those records

corroborate the information provided by NDD, and show, among other things, fees collected by NDD from Pennsylvania consumers.

21. NDD has never been licensed as a “provider” under the DSSA.

22. Because NDD engaged in the business of a debt settlement services provider without being licensed, it was not entitled to receive fees from Pennsylvania residents for their participation in NDD’ debt settlement program.

### **VIOLATION**

23. By marketing, soliciting, offering to provide, or providing debt settlement services to Pennsylvania residents for a fee or other consideration without being licensed, NDD is in violation of Section 301(a) of the DSSA. 63 P.S. § 2521(a).

### **RELIEF**

24. **AND NOW THEREFORE**, it is hereby ordered that Nationwide Debt Direct LLC shall immediately CEASE AND DESIST from marketing, soliciting, offering to provide or providing debt settlement services to Pennsylvania residents for a fee or other consideration until such time that Nationwide Debt Direct LLC is licensed under the DSSA; and

- a. Pursuant to Section 701(6) of the DSSA, 63.P.S. §2571(6), NDD shall, within 30 days of the date of this Order, make restitution by refunding fees in the amount of \$350,240.47 collected from Pennsylvania residents who enrolled in NDD’s debt settlement program, and provide documentation of these refunds to the attention of:

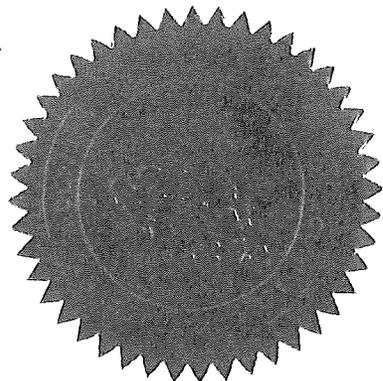
Taylor Dolmajer, NDSCE  
Pennsylvania Department of Banking and Securities  
Compliance Office  
17 N. Second Street, Suite 1300  
Harrisburg, PA 17101; and

- b NDD shall stop collecting fees for debt settlement services.
- c. Within 30 days of the date of this Order, NDD shall transfer the obligations of its Pennsylvania debt settlement clients to a provider that is licensed under the DSSA and shall notify the Department of the transfer.
- d. Pursuant to Section 704(a) of the DSSA, 63.P.S. § 2574(a), NDD shall, within 30 days of date of this Order, pay a civil penalty of four hundred and ninety thousand dollars (\$490,000). The payment shall be remitted by ACH or wire transfer, or if ACH or wire transfer is unavailable, by company check, certified check or money order made payable to the "Department of Banking and Securities" and sent to the attention of: Department of Banking and Securities, Compliance Office, 17 N 2<sup>nd</sup> Street, Suite 1300, Harrisburg, PA 17101-2290.

**WHEREFORE**, because of violations by Nationwide Debt Direct LLC, of the Debt Settlement Services Act, the Commonwealth of Pennsylvania, Department of Banking and Securities, Compliance Office, under the authority cited above, hereby issues this Order to Cease and Desist.

**IT IS SO ORDERED.  
FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES,  
COMPLIANCE OFFICE**

Signature: Redacted  
Printed Name: James Keiser  
Title Chief, Compliance Officer  
Commonwealth of Pennsylvania  
Department of Banking and Securities  
Compliance Office  
17 North Second Street, Suite 1300  
Harrisburg, PA 17101  
Dated: March 28, 2019



FILED

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

2018 MAR 29 AM 9:02

PA DEPARTMENT OF  
BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :  
: :  
: Docket No.: 19 0021 (BNK-C&D)  
: :  
v. :  
: :  
NATIONWIDE DEBT DIRECT, LLC :  
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing **Order to Cease and Desist** 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 and 33.36:

BY CERTIFIED AND FIRST CLASS MAIL:

Nationwide Debt Direct, LLC  
6200 Tennyson Pkwy, Suite 180  
Plano, TX 75024

Dated: 3/29/19

Redacted

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Eileen Smith, Legal Assistant  
Commonwealth of Pennsylvania  
Department of Banking and Securities  
17 North Second Street, Suite 1300  
Harrisburg, PA 17101  
(717) 787-1471