

# State of New Hampshire

State of New Hampshire  
Banking Department

Docket # 10-135

v.

21st Century Legal Services, Inc.,

Order to Cease and Desist  
and Show Cause

Respondent

## Notice of Order to Cease and Desist and Show Cause (“Order”)

1. This Order commences an adjudicative proceeding under the provisions of RSA Chapter 399-D (including RSA 399-D:13, I, RSA 399-D:23, I and II, RSA 399-D:24, IV and V and RSA 399-D:25, IV) and RSA Chapter 541-A.
2. The Commissioner may impose administrative fines up to a maximum of \$2,500.00 for each violation. RSA 399-D:24, IV and V.

### Respondent

3. 21st Century Legal Services, Inc. (“Respondent 21st Century”) is a corporation duly incorporated in the State of California on December 5, 2008 with a principal office location of 9340 Baseline Road Suite 105, Rancho Cucamonga, CA 91701 and additional office locations of 9507 Business Center Drive Suite 7B, Rancho Cucamonga, CA 91737 and 9607 Business Center Drive Bldg 13 Suite D, Rancho Cucamonga, CA 91730. Respondent 21st Century is a “Person.” RSA 399-D:1, VII.
4. The New Hampshire Banking Department’s (“Department”) records indicate that Respondent 21st Century has never held a New Hampshire Debt Adjuster license.

### Right to a Hearing

5. Respondent has the right to request a hearing of this Order. A hearing shall be held not later than ten (10) days after the Commissioner receives the Respondent’s written

request for a hearing. The Respondent may request a hearing and waive the ten (10) day hearing requirement. The hearing shall comply with RSA Chapter 541-A, RSA 399-D:13, I and RSA 399-D:23, I and II.

6. If any person fails to request a hearing within thirty (30) days of receiving this Order, then such person shall likewise be deemed in default, all allegations may be deemed true, and the Order shall, on the thirty-first (31<sup>st</sup>) day, become permanent and shall remain in full force and effect until modified or vacated by the Commissioner for good cause shown. RSA 399-D:13, I and RSA 399-D:23, II.
7. A default may result in administrative fines as described in Paragraph 2 above.

#### **Statement of Allegations**

8. On June 26, 2009, the Department received a complaint against Respondent 21st Century from a New Hampshire consumer (“Consumer A”) alleging that Respondent 21st Century was engaged in unlicensed debt adjustment activity in violation of RSA 399-D:3, I.
9. In December of 2008, Respondent 21st Century contracted with Consumer A to negotiate a mortgage loan modification on behalf of Consumer A.
10. Respondent 21st Century collected an advance fee of \$2,500.00 from Consumer A, in violation of RSA 399-D:14, I.
11. After receiving these funds, Respondent 21st Century failed to provide a loan modification for Consumer A, in violation of RSA 399-D:13-a, I.
12. Respondent 21st Century previously operated a website at “21stcenturyremod.com” that advertised mortgage loan modification services. This site is no longer in operation.
13. At least five (5) other States have taken legal action against Respondent 21st Century concerning the types of practice described by Respondent A.

14. By June 26, 2009, Respondent 21st Century had collected \$2,500.00 in fees, without either the written consent of Consumer A's creditor or any payments made to Consumer A's creditor, in violation of RSA 399-D:14, I and II.
15. On June 25, 2009, the Department sent three copies of a letter via U.S. Certified Mail return receipt requested to Respondent 21st Century at three addresses, requesting that Respondent 21st Century contact the Department and submit an application for licensure. Respondent 21st Century received all three of these letters on July 1, 2009.
16. On June 30, 2009, the Department sent three copies of another letter via U.S. Certified Mail return receipt requested to Respondent 21st Century at the same three addresses, requesting that Respondent 21st Century contact the Department and address Consumer A's complaint. Respondent 21st Century received all three of these letters on July 15, 2010.
17. On October 7, 2009, the Department sent three copies of a third letter via U.S. Certified Mail return receipt requested to Respondent 21st Century at the same three addresses, again requesting that Respondent 21st Century contact the Department and submit an application for licensure. Respondent 21st Century received all three of these letters on October 17, 2010.
18. To date, Respondent 21st Century has failed to respond to any of the Department's letters as described in Paragraphs 15, 16 and 17 above and failed to provide any of the information requested therein, in violation of RSA 399-D:22, VIII.
19. To date, Respondent 21st Century has failed to refund \$2,500.00 of Consumer A's funds, in violation of RSA 399-D:3, III.

**Alleged Violations**

21st Century Legal Services,  
Inc.:

1 Count for unlicensed activity as a debt  
adjuster;

RSA 399-D:3, I

1 Count for collecting an unequally amortized  
fee;

RSA 399-D:14, I

1 Count for collecting a fee prior to payment to  
creditors;

RSA 399-D:14, I

1 Count for collecting a fee without consent of  
the creditors;

RSA 399-D:14, II

1 Count for engaging in fraudulent or misleading  
acts related to a debt adjustment contract;

RSA 399-D:13-a, I

3 Counts for failure to produce requested  
documents.

RSA 399-D:22, VIII

**Respectfully Submitted:**

\_\_\_\_\_/s/\_\_\_\_\_  
Raef J. Granger  
Hearings Examiner  
N.H. Banking Department

\_\_\_\_\_  
Date: 04/07/11

**Order**

**20. I hereby find as follows:**

- a. Pursuant to RSA 399-D:13, I, the facts as alleged above, if true, show Respondent is operating or has operated in violation of RSA Chapter 399-D and form the legal basis for this Order;

- b. Pursuant to RSA 399-D:25, VI, this Order is necessary and appropriate to the public interest and for the protection of consumers and consistent with the purpose of New Hampshire banking laws;
- c. Pursuant to RSA 399-D:23, II, reasonable cause exists to issue an order to cease and desist; and
- d. Pursuant to RSA 399-D:13, I and RSA 399-D:23, II, if Respondents fail to respond to this Order and/or default then all facts as alleged herein are deemed as true.

**21. Accordingly, it is hereby ORDERED that:**

- a. Respondent shall immediately cease and desist from violating RSA Chapter 399-D and rules or orders;
- b. Respondent shall within fourteen (14) days of the date of this Order provide to the Department a list of all New Hampshire consumers for whom Respondent have conducted or contracted to conduct debt adjustment activities. This list must include the names and contact information of the New Hampshire consumers, along with all monies charged, collected and waived (if applicable). The list shall also be accompanied by all contracts, checks to and from the consumer and any other documents in the New Hampshire consumers' files;
- c. Respondent shall show cause why the Commissioner should not enter an order of rescission, restitution, or disgorgement of profits in the amount of \$2,500.00;
- d. Respondent shall show cause why the Commissioner should not recover costs for investigation of this matter in the minimum amount of \$2,250.00;

- e. Respondent shall show cause why administrative fines totaling \$20,000.00, should not be imposed; and
- f. Nothing in this Order shall prevent either 1) the Department from taking any further administrative and legal action as necessary under New Hampshire law or 2) the New Hampshire Office of the Attorney General from bringing an action against the above-named Respondent in any New Hampshire superior court, with or without prior administrative action by the Commissioner.

**SO ORDERED,**

Entered this April 8, 2011.

/s/

Robert A. Fleury, Deputy Bank Commissioner  
New Hampshire Banking Department