

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Nationwide Asset Services, Inc.	Universal Nationwide, LLC
a.k.a. Nationwide Asset Services	dba Universal Debt Reduction
William Anderson, President	4229 Northgate Blvd.
Gary Kenneth Brown, Secretary and Treasurer	Sacramento, CA 95834
4229 Northgate Blvd.	and
Sacramento, CA 95834	2533 N. Carson Street
and	Carson City, NV 89706
1990 W. Camelback Rd., #403	
Phoenix, AZ 85015	
FGL Clearwater, Inc.	Global Client Solutions, LLC
dba American Debt Arbitration	5727 South Lewis Ave.
12653 Pineforest Way East	Suite 400
Largo, FL 33773	Tulsa, OK 74105-7119

DESIST AND REFRAIN ORDER
(For violations of section 12200 of the Financial Code)

The California Corporations Commissioner finds that:

- Nationwide Asset Services, Inc., also known as Nationwide Asset Services, is a for-profit entity which incorporated in Arizona listing William Anderson as its President and Gary Kenneth Brown as its Secretary and Treasurer, showing their offices located at 1990 W. Camelback Rd., #403, Phoenix, Arizona. Nationwide Asset Services, Inc. is also incorporated in Nevada listing William Anderson as its President and Gary Kenneth Brown as its Secretary and showing its offices located at 4229 Northgate Blvd., Sacramento, California. Although Nationwide Asset Services, Inc. has California offices and uses (916) 770-3700 and (916) 770-3734 as its telephone numbers, it has not filed documents with the California Secretary of State's Office to do business in California. Nationwide Asset Services, Inc. solicits consumers via its Web site www.nationwideasset.com and toll free telephone number (888) 839-2930.
- American Debt Arbitration, a fictitious business name owned by FGL Clearwater, Inc., is located at 12653 Pineforest Way East, Largo, Florida, which uses an Internet Web site, adatoday.com and a toll free telephone number 1-(800) 310-9317 to solicit consumers in California.

1 It describes itself as a debt services marketing company that employs qualified debt consultants and
2 markets a program, which is co-managed with Nationwide Asset Services, Inc. FGL Clearwater,
3 Inc. dba American Debt Arbitration and Nationwide Asset Services, Inc. operate in connection with
4 several affiliated companies described below.

5 3. Global Client Solutions, LLC is an Oklahoma entity that uses 5727 South Lewis Ave.,
6 Ste. 400, Tulsa, Oklahoma as its mailing address. It is affiliated with the above-described entities.
7 Nationwide Asset Services, Inc. in communicating with its clients refers to Global Client Solutions,
8 LLC as a bank and informs clients it will be responsible for handling their funds and processing their
9 debt management accounts. Global Client Solutions, LLC sends to clients of Nationwide Asset
10 Services, Inc. a monthly "Account Activity Statement" reflecting the status of their respective
11 "bank" account and stating that consumer account inquiries can be directed to Global Client
12 Solutions, LLC's toll free phone number, (866) 290-8082. However, Global Client Solutions, LLC
13 is not a bank and consumers' funds are not deposited into an "FDIC insured bank account" as
14 Nationwide Asset Services, Inc. represents to consumers.

15 3. Universal Nationwide, LLC dba Universal Debt Reduction is a Nevada for-profit entity
16 with its headquarters located at 4229 Northgate Blvd., Sacramento, California and with offices at
17 2533 N. Carson Street, Carson City, Nevada. Its managing members are Equishare Corp., Anco
18 Holdings Inc., and Laughlin International Inc., and all of these corporations were also located at 2533
19 N. Carson Street, Carson City, Nevada. Customers of Nationwide Asset Services, Inc., Global Client
20 Solutions, LLC and FGL Clearwater, Inc. dba American Debt Arbitration are instructed if they have
21 "questions or inquiries" to "e-mail us at customerservice@universaldr.com."

22 5. The above-named entities and individuals, working in concert or in participation
23 among themselves or with others, engaged in the following activities in violation of the Check
24 Sellers, Bill Payers and Proraters Law pursuant to the California Financial Code section 12000 et
25 seq.

26 6. The above-named entities offered their services to California consumers by a variety of
27 advertisements including various toll-free phone numbers and by means of several Internet Web sites.

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1 7. Nationwide Asset Services, Inc. represents to consumers that:

2 Our debt elimination program is the most effective program available in
3 relieving the overwhelming burden of debt. On average, our clients are
4 saving 25-40% of the debt they now owe and are able to be out of debt
5 within two to four years. Our clients avoid years of accrued interest, late
6 fees, and other costs that would otherwise be paid in the twenty-plus years
7 of struggling under their current debt load.

8 8. The Internet Web sites for FGL Clearwater, Inc. dba American Debt Arbitration and
9 Universal Nationwide, LLC dba Universal Debt Reduction, which are almost identical in
10 appearance and content, represent to consumers that “[o]ur program is a hands-on solution that
11 will help you:

- 12 • **Cut** the time frame to repay your debts from 15-30 years
13 to an average of 30-36 months
- 14 • **Save** up to 50% or more of your current debt total
- 15 • **Stop** throwing money away on interest and fees
- 16 • **Protect** your rights under the Fair Debt Collection Practices Act”

17 9. The above entities represent that their services include negotiating with a consumer’s
18 creditors to settle debts for less than the total amount that consumer’s creditors claim is owed.

19 10. The above-named entities, individuals or others, acting in concert or in participation
20 with them, receive sums of money from a consumer for the purpose of negotiating settlement or
21 payment plans for consumers and/or paying a consumer's creditors. Specifically, these entities pay
22 the bills of a consumer from the funds a consumer forwards to them for that purpose, by arranging
23 for periodic electronic funds transferred through the Automated Clearing House (ACH), whereby
24 they initiate withdrawals from a consumer's trust account(s) for payment to a consumer's creditors.

25 11. To start the settlement process and in exchange for these services consumers are
26 charged and required to pay to the above-named entities “set up fees,” “enrollment fees,” monthly
27 administrative fees of \$49, a “CFG Maintenance Fees” of \$7.20 per month and “ACH/Electronic
28 Check Fees” of \$.45 per check. The consumer must also pay settlement fees of 29% of the amount
consumers are “saved,” which gives them “an incentive to achieve the best settlements possible.”

1 12. The Department of Corporations has jurisdiction over and regulates bill payers and
2 proraters under the Check Sellers, Bill Payers and Proraters Law set forth in California Financial
3 Code section 12000 et seq. California Financial Code section 12200, states:

4 No person shall engage in the business, for compensation, of selling
5 checks, drafts, money orders, or other commercial paper serving the
6 same purpose, or of receiving money as agent of an obligor for the
7 purpose of paying bills, invoices, or accounts of such obligor, or
8 acting as a prorater, nor shall any person, without direct
9 compensation and not as an authorized agent for a utility company,
accept money for the purpose of forwarding it to others in payment
of utility bills, without first obtaining a license from the
commissioner.

10 13. The definition of proraters, found in Financial Code section 12002.1, states:

11 A prorater is a person who, for compensation, engages in whole or in part
12 in the business of receiving money or evidences thereof for the purpose
13 of distributing the money or evidences thereof among creditors in
payment or partial payment of the obligations of the debtor.

14 14. The California Corporations Commissioner has not licensed Nationwide Asset
15 Services, Inc. also known as Nationwide Asset Services; FGL Clearwater, Inc. dba American
16 Debt Arbitration; Global Client Solutions, LLC and Universal Nationwide, LLC dba Universal
17 Debt Reduction in this State to act as a bill payer or prorater.

18 15. Based upon the foregoing findings, the California Corporations Commissioner is of
19 the opinion that Nationwide Asset Services, Inc. also known as Nationwide Asset Services; FGL
20 Clearwater, Inc. dba American Debt Arbitration; Global Client Solutions, LLC and Universal
21 Nationwide, LLC dba Universal Debt Reduction in concert and/or in participation with others,
22 have been engaging in business as a bill payer or prorater as defined in the Check Sellers, Bill
23 Payers and Proraters Law without a license from the California Corporations Commissioner.

24 Pursuant to Financial Code section 12103, the California Corporations Commissioner
25 hereby orders Nationwide Asset Services, Inc. also known as Nationwide Asset Services; FGL
26 Clearwater, Inc. dba American Debt Arbitration; Global Client Solutions, LLC and Universal
27 Nationwide, LLC dba Universal Debt Reduction, individually, in concert and/or in participation
28 with others, to desist and refrain from engaging in business as a bill payer and prorater unless

1 and until they are licensed or exempt. This Order is necessary, in the public interest, and for the
2 protection of consumers.

3 Dated: December 5, 2005
4 Los Angeles, California

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6 WAYNE STRUMPFER
Acting California Corporations Commissioner

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9 By _____

10 ALAN S. WEINGER
Acting Deputy Commissioner
11 Enforcement Division
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