
*
IN THE MATTER OF: *
*
HOMESTEAD FINANCIAL *
SERVICES, LLC (“Homestead”) *
*
DANA FABIAN (“Fabian”) *
*
(collectively “Respondents”) *
*

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Sections 36a-671 to 36a-671e, inclusive, of the Connecticut General Statutes contained in Part II of Chapter 669 of the Connecticut General Statutes, “Debt Adjusters and Debt Negotiation”;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), conducted an investigation of the activities of Respondents, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, to determine if they had violated, were violating or were about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner;

WHEREAS, on June 25, 2018, the Commissioner, acting pursuant to Sections 36a-52(b), 36a-50(c), 36a-52(a) and 36a-50(a)(1) of the 2018 Supplement to the General Statutes, and Section 36a-671a(b) of the Connecticut General Statutes, issued a Temporary Order to Cease and Desist, Order to Make Restitution (“Order to Make Restitution”), Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively “Order and Notice”) against Respondents, which Order and Notice is incorporated herein by reference;

WHEREAS, on June 26, 2018, the Order and Notice was caused to be mailed by certified mail, return receipt requested, to Homestead (Certified Mail No. 70123050000069995361), Homestead's Agent for Service of Process (Certified Mail No. 70123050000069995378), and Fabian (Certified Mail No. 70123050000069995521);

WHEREAS, the Order and Notice provided Respondents with the opportunity for a hearing, and stated that if a hearing was not requested by any Respondent within 14 days of each Respondent's receipt or if any Respondent failed to appear at any such hearing, the allegation against each Respondent would be deemed admitted, the Order to Make Restitution shall remain in effect and become permanent against Respondents, and the Commissioner would issue an order that Respondents cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon each Respondent;

WHEREAS, on July 3, 2018, Homestead's Agent for Service of Process received the Order and Notice;

WHEREAS, on July 3, 2018, the Order and Notice issued against Fabian was deemed received by the person seven days after mailing or sending, pursuant to Sections 36a-52(a), 36a-50(a)(1) and 36a-50(c) of the 2018 Supplement to the General Statutes;

WHEREAS, Respondents failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Order and Notice, with respect to the activity described therein, that Homestead's engaging or offering to engage in debt negotiation in this state without obtaining the required license constitutes at least one violation of Section 36a-671(b) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2018 Supplement to the General Statutes, to issue an order to make restitution pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2018 Supplement to the General Statutes, and to impose a civil penalty pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2018 Supplement to the General Statutes;

WHEREAS, the Commissioner alleged in the Order and Notice, with respect to the activity described therein, that Fabian’s engaging or offering to engage in debt negotiation in this state without obtaining the required license constitutes at least one violation of Section 36a-671(b) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2018 Supplement to the General Statutes, to issue an order to make restitution pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2018 Supplement to the General Statutes, and to impose a civil penalty pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2018 Supplement to the General Statutes;

WHEREAS, also in the Order and Notice, the Commissioner ordered, pursuant to Section 36a-50(c) of the 2018 Supplement to the General Statutes, that not later than 30 days from the date the Order to Make Restitution becomes permanent, Respondents, jointly and severally, shall repay identified Connecticut debtors identified amounts plus interest and repay to any other Connecticut debtor who entered into an agreement for debt negotiation services with either Respondent on and after October 1, 2009, any fees paid plus interest, and provide evidence of such repayments to the Director of the Consumer Credit Division;

WHEREAS, Section 36a-52(a) of the 2018 Supplement to the General Statutes provides, in pertinent part, that “[i]f the person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-50(a)(2) of the 2018 Supplement to the General Statutes provides, in pertinent part, that “[i]f such person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person”;

WHEREAS, Section 36a-50(a)(3) of the 2018 Supplement to the General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 1 through 9, inclusive, of Section II of the Order and Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 1 and 2 of Section III of the Order and Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies.

2. The Commissioner finds that Respondents have engaged in acts or conduct which, pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2018 Supplement to the General Statutes forms the basis to issue an order to cease and desist against Respondents, and, pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2018 Supplement to the General Statutes forms the basis to impose a civil penalty upon each Respondent.

3. The Commissioner finds that the Order and Notice was given in compliance with Sections 36a-52(a), 36a-50(a) and 36a-50(c) of the 2018 Supplement to the General Statutes and Section 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Sections 36a-52(a) and 36a-50(a) of the 2018 Supplement to the General Statutes that:

1. Homestead Financial Services, LLC **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes;
2. Dana Fabian **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes;
3. A **CIVIL PENALTY** of One Hundred Thousand Dollars (\$100,000) be imposed upon Homestead Financial Services, LLC, to be remitted to the Department of Banking by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed;
4. A **CIVIL PENALTY** of One Hundred Thousand Dollars (\$100,000) be imposed upon Dana Fabian, to be remitted to the Department of Banking by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed;
5. The **ORDER TO MAKE RESTITUTION** issued on June 25, 2018, remains in effect and became permanent against Homestead Financial Services, LLC and Dana Fabian on July 18, 2018; and
6. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 5th day of December 2018.

_____/s/_____
Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to
Respondents on December 6, 2018.

Homestead Financial Services, LLC
1976 S. La Cienega Boulevard, #654
Los Angeles, California 90034

Certified Mail No. 7016 2710 0000 5896 9308

LegalZoom.com, Inc.
Agent for Service of Process
101 N. Brand Boulevard, 11th Floor
Glendale, California 91203

Certified Mail No. 7016 2710 0000 5896 9315