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**IN THE MATTER OF:**  
  
**COMMONWEALTH SERVICING  
GROUP, LLC**  
**(“Commonwealth Servicing”)**  
  
**LENDAH LLC**  
**(“Lendah”)**  
**(NMLS # 1929464)**  
  
**(collectively “Respondents”)**  
  
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**AMENDED AND RESTATED  
TEMPORARY ORDER TO  
CEASE AND DESIST**  
  
**ORDER TO MAKE RESTITUTION**  
  
**AMENDED AND RESTATED  
NOTICE OF INTENT TO ISSUE  
ORDER TO CEASE AND DESIST**  
  
**AMENDED AND RESTATED  
NOTICE OF INTENT TO IMPOSE  
CIVIL PENALTY**  
  
**AND**  
  
**NOTICE OF RIGHT TO HEARING**

**I. LEGAL AUTHORITY AND JURISDICTION**

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Sections 36a-671 to 36a-671f, inclusive, of Part II of Chapter 669 of the Connecticut General Statutes, “Debt Adjusters and Debt Negotiation”.

2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, in effect at such time, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), has investigated the activities of Respondents to determine if they have violated, are violating or are about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner (“Investigation”).

3. As a result of the Investigation, on March 7, 2022, the Commissioner issued a Temporary Order to Cease and Desist, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil

Penalty and Notice of Right to Hearing against Lendah (collectively, “Notice”), which is hereby amended and superseded.

4. On March 25, 2022, Lendah requested a hearing on the allegations set forth in the Notice. The hearing is scheduled for a date to be determined.

5. As a result of further investigation conducted by the Division, the Commissioner finds that facts exist that warrant, pursuant to Section 36a-1-22 of the Regulations of Connecticut State Agencies, the issuance of this Amended and Restated Temporary Order to Cease and Desist, Order to Make Restitution, Amended and Restated Notice of Intent to Issue Order to Cease and Desist, Amended and Restated Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing against Lendah and Commonwealth Servicing.

6. As a result of the Investigation, the Commissioner has reason to believe that Lendah has violated Sections 36a-671(b) and 36a-671f(8) of the Connecticut General Statutes, and Commonwealth Servicing has violated Section 36a-671(b) of the Connecticut General Statutes.

7. As a result of the Investigation, the Commissioner finds that the public welfare requires immediate action to issue an order to cease and desist against Commonwealth Servicing to cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, and for Lendah to cease and desist from violating Sections 36a-671(b) and 36a-671f(8) of the Connecticut General Statutes, pursuant to Section 36a-52(b) of the 2022 Supplement to the General Statutes.

8. As a result of the Investigation, the violations alleged by the Commissioner against each Respondent form the basis to issue an order to cease and desist against each Respondent pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes.

9. As a result of the Investigation, the violations alleged by the Commissioner against each Respondent form the basis to issue a civil penalty against each Respondent pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes.

10. As a result of the Investigation, the violations alleged by the Commissioner against Commonwealth Servicing forms the basis to issue an order to make restitution against Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2022 Supplement to the General Statutes.

## **II. MATTERS ASSERTED**

11. Each Respondent operates from a suite located at 500 Cummings Center Drive, Beverly, Massachusetts, and lists the following as members of their respective limited liability company: Matthew Guthrie (“Guthrie”), John Carson and Daniel Kwiatek. Each Respondent engages or offers to engage in debt negotiation in this state, but no Respondent is or has ever been licensed to do so.

### **Lendah**

12. Lendah is a Massachusetts limited liability company with a place of business at 500 Cummings Center Drive, Suite 2550, Beverly, Massachusetts.

13. On Lendah’s Certificate of Organization filed with the Corporations Division of the Secretary of the Commonwealth of Massachusetts on February 7, 2018, which was signed by Guthrie, Lendah represents that the general character of its business is to “assist individuals with debt reduction, including any and all activities related or incidental thereto”.

14. At all relevant times hereto, Lendah’s website claims that it is a lead generator of personal loan products and encourages consumers to provide financial information such as monthly income and amount of credit card debt to obtain a loan. It claims “Personal Loans made wicked easy and wicked fast”, yet instead of offering loans to Connecticut consumers, Lendah offers debt negotiation services to such consumers, for or with the expectation of a fee, commission or other valuable consideration.

15. In approximately April 2019, a Connecticut consumer applied for a loan online (“Connecticut Consumer”). In response to the loan application, R.M. of Lendah, an alleged “IAPDA Certified Specialist”, contacted the Connecticut Consumer by phone and told her that she did not qualify for a loan but that she could enroll in a program that would negotiate her credit card balances to approximately 50% of their current balance and cause the balances to be paid off in three years.

16. IAPDA stands for the International Association of Professional Debt Arbitrators and is purportedly “North America’s leading debt settlement and credit counseling training and certification programs”. The list of IAPDA certified specialists on its website ([www.iapda.org](http://www.iapda.org)) does not reflect that R.M. is certified.

17. On May 1, 2019, R.M., on behalf of Lendah, e-mailed the Connecticut Consumer a contract with Commonwealth Law Group for debt negotiation services (“Agreement”) so that she “could review the contract before meeting with the notary [to execute the Agreement].” R.M. also told the Connecticut Consumer to call him with any questions concerning the Agreement.

18. The Agreement provided by Lendah to the Connecticut Consumer references a “Law Firm Contact” of R.M. and addresses for Commonwealth Law Group of 500 Cummings Center, Suite 4500, Beverly, Massachusetts, and 500 Cummings Center, Suite 3450, Beverly, Massachusetts. The Agreement states that the Commonwealth Law Group will assist the Connecticut Consumer with the resolution of burdensome debt referred to as a “Debt Resolution Program”. On May 2, 2019, the Connecticut Consumer entered into the Agreement.

19. On September 29, 2020, in response to an inquiry by the Department concerning Lendah’s activities, Guthrie explained that Lendah “provides leads to a network of lender partners. . . . If it turns out Lendah is aiding a consumer that is unable to obtain an acceptable loan . . . the company will offer to connect the consumer with alternative entities that may be able to assist them with their debts. One example of an alternative entity is the law firm Commonwealth Law Group.” In addition to The Commonwealth Law Group, Lendah’s partners include Glacier Bay and DMB Financial, LLC.

20. A review of debt negotiation fees paid by the Connecticut Consumer reflects that the majority of fees were paid to Dos Equities, LLC and Commonwealth Servicing Group, LLC, not The Commonwealth Law Group. On October 24, 2019, the Connecticut Consumer received a refund of debt negotiation fees paid in connection with the Agreement.

### **Commonwealth Servicing**

21. Commonwealth Servicing is a Massachusetts limited liability company with a place of business at 500 Cummings Center Drive, Suite 4500, Beverly, Massachusetts.

22. Commonwealth Servicing's Certificate of Organization, filed with the Corporations Division of the Secretary of the Commonwealth of Massachusetts on May 7, 2015, represents that the general character of its business is "providing services in connection with consumer debt".

23. At all relevant times hereto, Commonwealth Servicing's website advertises debt negotiation services, stating that "YOU WANT TO GET OUT OF DEBT. WE CAN SHOW YOU HOW." It continues to state that they have helped thousands of people resolve their burdensome debt by working with creditors and negotiating settlements.

24. Commonwealth Servicing generally receives fees in the amount of 25% of the debt enrolled in a debt negotiation program pursuant to a consumer's contract with The Commonwealth Law Group. The Connecticut Consumer paid fees to Commonwealth Servicing equal to approximately 19 percent (19%) of the amount by which the consumer's debt was reduced. Such fees exceed amounts that debt negotiators may charge pursuant to the Schedule of Maximum Fees established by the Commissioner on or about October 1, 2009 ("Schedule of Maximum Fees") pursuant to Section 36a-671b(b) of the Connecticut General Statutes. The Schedule of Maximum Fees permits a debt negotiator of unsecured debt to collect total aggregate fees, including the initial fee and service fees, not to exceed ten percent (10%) of the amount by which the consumer's debt is reduced.

25. For each Connecticut consumer enrolled in a debt negotiation program with The Commonwealth Law Group, the majority of debt negotiation fees are paid to third parties such as

Commonwealth Servicing. Commonwealth Servicing is also the primary contact with Connecticut consumers concerning their debt negotiation program, and Commonwealth Servicing negotiates the settlements with creditors on behalf of Connecticut consumers.

26. From approximately January 2019 to October 2020, Commonwealth Servicing engaged or offered to engage in debt negotiation on behalf of at least 428 Connecticut consumers and received over \$900,000 in fees for such services while unlicensed as a debt negotiator in Connecticut.

**III. STATUTORY BASIS FOR ORDER TO MAKE RESTITUTION,  
AMENDED AND RESTATED ORDER TO CEASE AND DESIST AND  
AMENDED AND RESTATED IMPOSITION OF CIVIL PENALTY**

27. Lendah's offering debt negotiation programs in this state without obtaining the required license, as more fully described in paragraphs 11 through 19, inclusive, of the Matters Asserted, constitutes a violation of Section 36a-671(b) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, and impose a civil penalty against Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes. Section 36a-50(a) of the 2022 Supplement to the General Statutes authorizes the Commissioner to impose a civil penalty upon Lendah in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

28. Lendah's making false or deceptive statements or representations in connection with debt negotiation or engaging in bait and switch advertising, as more fully described in paragraphs 11 through 20, inclusive, of the Matters Asserted, constitutes a violation of Section 36a-671f(8) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, and impose a civil penalty against Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes. Section 36a-50(a) of the 2022 Supplement to the General Statutes authorizes the

Commissioner to impose a civil penalty upon Lendah in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

29. Commonwealth Servicing's engaging or offering to engage in debt negotiation in this state without obtaining the required license, as more fully described in paragraphs 11, 18 and 20 through 26, inclusive, of the Matters Asserted, constitutes at least 428 violations of Section 36a-671(b) of the Connecticut General Statutes. Such violations form the basis to issue an order to cease and desist against Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, issue an order to make restitution against Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2022 Supplement to the General Statutes and impose a civil penalty against Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes. Section 36a-50(a) of the 2022 Supplement to the General Statutes authorizes the Commissioner to impose a civil penalty upon Commonwealth Servicing in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

#### **IV. FINDING AND STATUTORY BASIS FOR AMENDED AND RESTATED TEMPORARY ORDER TO CEASE AND DESIST**

The Commissioner finds that the public welfare requires immediate action to issue a temporary order requiring Commonwealth Servicing to cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, and for Lendah to cease and desist from violating Sections 36a-671(b) and 36a-671f(8) of the Connecticut General Statutes, and to take such action as set forth herein to effectuate the purposes of Section 36a-52(b) of the Connecticut General Statutes, in that the interests of Connecticut consumers are being prejudiced by: (1) Commonwealth Servicing obtaining excessive fees for debt negotiation services from Connecticut consumers while unlicensed, and (2) Lendah deceiving Connecticut consumers into providing personal financial information under the guise of receiving a

consumer loan, but instead offering the Connecticut consumers debt negotiation programs and sharing the information with persons engaged in debt negotiation.

**V. AMENDED AND RESTATED TEMPORARY ORDER TO CEASE AND DESIST,  
ORDER TO MAKE RESTITUTION, AMENDED AND RESTATED NOTICE OF  
INTENT TO ISSUE ORDER TO CEASE AND DESIST,  
AMENDED AND RESTATED NOTICE OF INTENT  
TO IMPOSE CIVIL PENALTY AND NOTICE OF RIGHT TO HEARING**

**WHEREAS**, the Commissioner has reason to believe that Lendah has engaged in acts or conduct which forms the basis to issue an order to cease and desist upon Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, and impose a civil penalty upon Lendah pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes;

**WHEREAS**, the Commissioner has reason to believe that Commonwealth Servicing has engaged in acts or conduct which forms the basis to issue an order to cease and desist upon Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, issue an order to make restitution upon Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2022 Supplement to the General Statutes and impose a civil penalty upon Commonwealth Servicing pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes;

**AND WHEREAS**, the Commissioner has made the findings required under Section 36a-52(b) of the Connecticut General Statutes.

**THE COMMISSIONER THEREFORE ORDERS**, pursuant to the authority granted in Section 36a-52(b) of the Connecticut General Statutes, that Commonwealth Servicing immediately **CEASE AND DESIST** from any further violation of Section 36a-671(b) of the Connecticut General Statutes and Lendah **CEASE AND DESIST** from any further violation of Sections 36a-671(b) and 36a-671f(8) of the Connecticut General Statutes. This Amended and Restated Temporary Order to Cease and Desist became



effective against Lendah upon its receipt of the Notice dated March 7, 2022, and shall become effective upon receipt by Commonwealth Servicing and, unless set aside or modified by a court, shall remain in effect until the effective date of a permanent order or dismissal of the matters asserted in this Amended and Restated Temporary Order to Cease and Desist.

**THE COMMISSIONER FURTHER ORDERS**, pursuant to the authority granted in Section 36a-17 of the 2022 Supplement to the General Statutes and Section 36a-52(b) of the 2022 Supplement to the General Statutes, that: Not later than fourteen (14) days from receipt of the Notice dated March 7, 2022, Lendah shall provide to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or carmine.costa@ct.gov:

1. Copies of all contracts between Lendah and persons that provide debt negotiation services or referral services in Connecticut, including but not limited to, contracts with The Commonwealth Law Group, Commonwealth Servicing, Glacier Bay Law, Glacier Bay Servicing, National Data Systems, DMB Financial and Guthrie;
2. Copies of all contracts between Lendah and persons that provide consumer loan services in Connecticut; and
3. A detailed list of any Connecticut consumers which Lendah has received personal information in connection with a loan inquiry or debt negotiation referral since January 1, 2019, and any and all fees received by Lendah as a result of the consumer being referred to a person referenced in paragraph 1 or 2 above, including the name and address of the consumer, name and address of the person that the consumer was referred to and from, date, and amount of any fees or consideration received by Lendah in connection with such service.

**THE COMMISSIONER FURTHER ORDERS**, pursuant to Section 36a-50(c) of the 2022 Supplement to the General Statutes, that Commonwealth Servicing Group, LLC **MAKE RESTITUTION** of any sums obtained as a result violating Section 36a-671(b) of the Connecticut General Statutes, in effect at such time, plus interest. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, Commonwealth Servicing Group, LLC shall make restitution as follows:

1. Commonwealth Servicing Group, LLC shall repay to any Connecticut debtor who entered into an agreement for debt negotiation services with The Commonwealth Law Group or Commonwealth Servicing Group, LLC any fees paid by such Connecticut debtor to Commonwealth Servicing Group, LLC, plus interest. Payments shall be made by cashier's check, certified check or money order; and

2. Provide evidence of such repayments to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or [carmine.costa@ct.gov](mailto:carmine.costa@ct.gov).

**NOW THEREFORE**, notice is hereby given to Lendah that the Commissioner intends to issue an order requiring Lendah to **CEASE AND DESIST** from violating Sections 36a-671(b) and 36a-671f(8) of the Connecticut General Statutes, and impose a **CIVIL PENALTY** upon Lendah as set forth herein, subject to Lendah's right to a hearing on the allegations set forth above.

**FURTHER**, notice is hereby given to Commonwealth Servicing that the Commissioner intends to issue an order requiring Commonwealth Servicing to **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes, and impose a **CIVIL PENALTY** upon Commonwealth Servicing as set forth herein, subject to Commonwealth Servicing's right to a hearing on the allegations set forth above.

A hearing will be granted to Commonwealth Servicing if a written request for a hearing is received by the Department of Banking, Consumer Credit Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to [DOB.hearingsupport@ct.gov](mailto:DOB.hearingsupport@ct.gov) within fourteen (14) days following Commonwealth Servicing's receipt of this Amended and Restated Temporary Order to Cease and Desist, Order to Make Restitution, Amended and Restated Notice of Intent to Issue Order to Cease and Desist, Amended and Restated Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing as set forth in Sections 36a-52(a), 36a-50(a) and 36a-50(c) of the 2022 Supplement to the General Statutes. This Amended and Restated Temporary Order to Cease and Desist, Order to Make Restitution, Amended and Restated Notice of Intent to Issue Order to Cease and Desist, Amended and Restated Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing shall be deemed received on the earlier of the date of actual receipt, or seven (7) days after mailing or sending. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above addresses. If Commonwealth Servicing will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se". Commonwealth Servicing may request that the hearing be held in person at the Department's offices or remotely via videoconference using Microsoft Teams. Once a

written request for a hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and Section 36a-1-21 of the Regulations of Connecticut State Agencies. If a hearing is requested, the hearing will be held on December 16, 2022, at 10 a.m.

A hearing has been requested by Lendah and is scheduled for a date to be determined. The hearing will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, Section 149 of June Special Session Public Act 21-2, as amended by Section 1 of Public Act 22-3, and the Remote Hearing Guidelines available on the Departments website at <https://portal.ct.gov/dob>.

If Commonwealth Servicing requests a hearing, it will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, unless Commonwealth Servicing fails to appear at the requested hearing. At such hearing, Commonwealth Servicing will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner. Any remote hearing will be held in accordance with Section 149 of June Special Session Public Act 21-2, as amended by Section 1 of Public Act 22-3, and the Remote Hearing Guidelines available on the Departments website at <https://portal.ct.gov/dob>.

If Lendah fails to appear at the hearing, the allegations herein against Lendah will be deemed admitted. Accordingly, the Commissioner will issue an order that Lendah cease and desist from violating Sections 36a-671(b) and 36a-671f(8) 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 Lendah.

If Commonwealth Servicing does not request a hearing within the time period prescribed or fails to appear at any such hearing, the allegations herein against Commonwealth Servicing will be deemed admitted. Accordingly, the Commissioner will issue an order that Commonwealth Servicing cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, issue an order to make

restitution, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Commonwealth Servicing.

So ordered at Hartford, Connecticut,  
this 31st day of October 2022.

\_\_\_\_\_/s/  
Jorge L. Perez  
Banking Commissioner

## CERTIFICATION

I hereby certify that on this 31st day of October 2022, I caused to be mailed by certified mail, return receipt requested, the foregoing Amended and Restated Temporary Order to Cease and Desist, Order to Make Restitution, Amended and Restated Notice of Intent to Issue Order to Cease and Desist, Amended and Restated Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing to Commonwealth Servicing Group, LLC, 500 Cummings Center, Suite 4500, Beverly, Massachusetts 01915, Certified Mail No. 7019 1640 0000 1584 4909; to Matthew Guthrie, Agent for Commonwealth Servicing Group, LLC, 4 Surrey Lane, Danvers, Massachusetts 01923, Certified Mail No. 7019 1640 0000 1584 4947; to John Caron, Lendah LLC, 500 Cummings Center Drive, Suite 2550, Beverly, Massachusetts 01915, Certified Mail No. 7019 1640 0000 1584 4893; and to David A. Schnobrick, Esq., Greenspoon Marder LLP, One Boca Place, 2255 Glades Road, Suite 400-E, Boca Raton, Florida 33431, Certified Mail No. 7019 1640 0000 1584 4923.

\_\_\_\_\_/s/  
Carmen Calderon  
Secretary