

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

Before the Commissioner of the Office of Financial and Insurance Services

In the Matter of:

Docket No. 2005-651

**World Wide Financial Services, Inc.
d/b/a Loan Giant, LoanGiant,
LoanGiant.com, and
LoanGiant.net**

Enforcement Case No. 05-0476

**26500 Northwestern Hwy.
Southfield, Michigan 48076**

Respondent.

**License Number: FL-0437
Registration Number SR-0265**

CONSENT ORDER

Issued and entered
this 24 day of February, 2006
by Linda A. Watters, Commissioner,
Office of Financial and Insurance Services

The Office of Financial and Insurance Services ("OFIS") pursuant to the Administrative Procedures Act of 1969 ("APA"), 1969 PA 306 as amended, MCL 24.201 *et seq*, the Mortgage Brokers, Lenders, and Servicers Licensing Act ("MBLSLA"), 1987 PA 173, as amended, MCL 445.1651 *et seq*, and the Secondary Mortgage Loan Act ("SMLA"), 1981 PA 125, as amended, MCL 493.51 *et seq*, filed a complaint currently pending at the State Office of Administrative Hearings and Rules.

On the basis of the Stipulation to Consent Order and the files and the records of OFIS in this matter, the Commissioner FINDS AND CONCLUDES that:

1. The Commissioner of OFIS has jurisdiction and authority pursuant to Section 78 of the Administrative Procedures Act of 1969, MCL 24.278, to accept the Stipulation to Consent Order and issue a Consent Order effectuating the disposition of proceedings currently before the State Office of Administrative Hearings and Rules Case Number 2005-651.

2. All required notices have been issued in this matter and the notices and service thereof were appropriate and lawful in all respects.

3. Respondent violated Sections 21(1), 21(2), 22(a), 22(b), 22(f), 22(g), 24(1) of the MBLSLA by engaging in improper lending practices including providing false data on loan applications such as false borrower income data, false payment data, false debt obligation data and false employment data, transmitting false payoff information, failing to maintain proper record of loan applications, failing to properly notify borrowers of denial of loan, failing to maintain sufficient escrow funds and failing to provide annual statements of borrower accounts for loans it serviced.

4. Respondent violated Sections 17(1) and 22(1)(c) and 11(b) of the SMLA.

5. Respondent failed to act in accordance with a prior Consent Order dated September 11, 1995.

6. Respondent failed to act in accordance with a prior Consent Order dated February 21, 2001.

7. Respondent has failed to gain consent of the Commissioner in its conveyance of more than 25% of its voting stock as required pursuant to Section 9 of the MBLSLA and pursuant to Section 13 of the SMLA.

THEREFORE, based on the parties' Stipulation to Consent Order and the facts surrounding this particular case, IT IS HEREBY ORDERED THAT:

1. The Stipulation to Consent Order submitted by the parties to the Commissioner is hereby ACCEPTED.

2. The Commissioner hereby revokes the license of Respondent FL-0437 effective March 31, 2006 based upon the aforesaid admissions and pursuant to Section 29 of the MBLSLA, MCL 445.1679 which provides in part:

(2) If the commissioner finds that a licensee or registrant has violated this act or the rules promulgated under this act, the commissioner may do 1 or more of the following:

(b) Suspend or revoke a license or registration or refuse to issue a license or renew a license or registration.

3. The Commissioner hereby revokes the registration of Respondent SR-0265 effective March 31, 2006 based upon the aforesaid admissions and pursuant to Section 11 of the SMLA, MCL 493.61 which provides in part:

The commissioner may suspend, revoke, or refuse to issue or renew a license or registration if he or she finds that the licensee or registrant or an owner, director, officer, member, partner, stockholder, employee, or agent of the licensee or registrant has done any of the following:

(a) Made a material misstatement in the application.

(b) Engaged in fraud, deceit, or material misrepresentation in connection with any transaction subject to this act.

(c) Failed after 10 days' written notice of default, to pay the annual operating fee, to maintain in effect the bond as required by the commissioner, or to comply with a demand, ruling, or requirement of the commissioner lawfully made under this act.

(d) Either knowingly or without the exercise of due care to prevent it, violated this act or a rule promulgated under this act.

(3) The commissioner may suspend, revoke, or refuse to renew a license or registration upon a finding of a fact or condition which, if the fact or condition had existed at the time of the original application for the license or registration, clearly would have warranted the commissioner to refuse to issue the license or registration originally.

4. From the date that this Consent Order is signed to March 31, 2006 and thereafter, Respondent shall not enter into any new transactions to broker, lend or service mortgage loans.

5. Respondent shall pay to the OFIS civil fines in the amount of \$200,000.00, consisting of the 200 violations listed in the 44 Count administrative action filed at the State Office of Administrative Hearings and Rules Docket Number 2005-651 with each violation bearing a \$1,000.00 civil fine. In addition, Respondent shall reimburse OFIS investigation costs in the amount of \$73,355.13. Respondent agrees that OFIS may file an amendment to its Proof of Claim filed at the United States Bankruptcy Court, Eastern District of Michigan, Case Number 05-75180. Respondent will not object.

6. The matter 2005-651 currently pending before the State Office of Administrative Hearings and Rules is hereby dismissed contingent upon the United States Bankruptcy Court, Eastern District of Michigan accepting this Consent Order. If the Bankruptcy Court does not accept this order, then the matter 2005-651 shall resume administrative hearings. Until further Order of the Commissioner, all proceedings on this matter before the State Office of Administrative Hearings and Rules are stayed and the Commissioner retains jurisdiction.

7. The Commissioner shall prioritize and pay claims against the proof of financial responsibility pursuant to Section 34 of the MBLSLA and Section 6 of the SMLA in a manner to be determined by the Commissioner. The Commissioner may file a claim against the proof of financial responsibility for payment of fines and reimbursement of expenses paid pursuant to Section 34(4) of the MBLSLA and Section 6 of the SMLA.

8. Failure to abide by the terms and provisions of this Stipulation may, in the discretion of the Commissioner of OFIS, result in further administrative compliance action.

9. Respondent agrees to the entry of the Consent Order without further notice and, upon issuance, to be bound by its terms.

10. The Commissioner of OFIS specifically retains jurisdiction over the matters contained herein and has the authority to issue further orders as she shall deem just, necessary and appropriate in accordance with the provisions of the MBLSLA, SMLA and the APA.



Linda A. Watters
Commissioner
Office of Financial and Insurance Services

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