

1 State of New Hampshire Banking Department

2 In re the Matter of:) Case No.: 09-BD-001
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3 State of New Hampshire Banking)
) Cease and Desist Order
4 Department,)
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5 Petitioner,)
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6 and)
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7 Educator Group Plans, Insurance)
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8 Services, Inc., 11551 Forest Central)
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9 Drive, Suite 200, Dallas, TX 75243)
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10 (d/b/a Educator Group Plans ("EGP"),)
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11 Educator Group Plans, Inc., d/b/a)
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12 Educator Group Plans & Insurance)
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13 Services, d/b/a Educator Group Plans)
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14 Ins Services Inc., d/b/a Educator)
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15 Group Plans Insurance Services, Inc.)
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16 of Austin and Dallas, d/b/a EGP)
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17 Insurance Services, d/b/a Senior)
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18 Advisor Services, d/b/a Senior)
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19 Education Council, d/b/a Senior)
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20 Advisor Services and Insurance)
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21 Services, Inc., d/b/a Senior Advisor)
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22 Services and Insurance Services,)
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23 Inc., d/b/a Education Retirement)
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24 Services, d/b/a Equita, d/b/a EQUITA)
))
25 Educator Group Plans, d/b/a EQUITA)
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Educator Group, d/b/a The Equita)
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Group, d/b/a Equita Group, d/b/a)
))

1 Equita, d/b/a Equita Final Expense)
2 Services ("EFES" and "EFES Online"),)
3 d/b/a Equita Final Expense, d/b/a)
4 Equita Final Expense Leads, d/b/a)
5 Equita Financial, d/b/a Equita)
6 Financial Services, d/b/a Equita)
7 Final Expense Insurance Center, d/b/a)
8 Equita Financial and Insurance)
9 Services, Inc., d/b/a Equita)
10 Financial & Insurance Services, Inc.,)
11 d/b/a Equita Financial & Insurance)
12 Services of TX, Inc., d/b/a Equita)
13 Financial and Insurance Services of)
14 TX, d/b/a Equita Financial and)
15 Insurance Services of Texas, Inc.,)
16 d/b/a Equita Financial & Insurance)
17 Services of Texas, Inc., d/b/a Equita)
18 of Texas Financial & Insurance)
19 Services, Inc., d/b/a Equita Mortgage)
20 Group, d/b/a EQUITA Mortgage Group,)
21 d/b/a Equita Mortgage Protection)
22 Leads), Richard G. Wolfe and Samuel)
23 D. Wolfe,

Respondents

NOTICE OF CEASE AND DESIST ORDER

This Cease and Desist Order (hereinafter "Order") commences an adjudicative proceeding under the provisions of RSA 384:12-a, RSA 384:67 and RSA 384:68 in conformity with RSA 541-A:31 through RSA 541-A:36.

1 LEGAL AUTHORITY AND JURISDICTION

2 Pursuant to RSA 383:9 ("Duties"), banks shall be under the control and
3 supervision of the Bank Commissioner (hereinafter "the Commissioner"). Many
4 of the powers now vested in the Commissioner are listed in RSA Chapter 384,
5 entitled "General Provisions As To Savings Banks, Trust Companies, And
6 Depositories".

7 Pursuant to RSA 384:12-a ("Cease and Desist Order"), IV, if, in the
8 opinion of the Commissioner, an individual or business entity is engaging in
9 or has engaged in any act or conduct in violation of RSA 384:67, the
10 Commissioner may issue and serve an order upon the individual or business
11 entity requiring the individual or business entity to cease and desist from
12 such act or conduct.

13 Pursuant to RSA 384:68 ("Enforcement"), the Commissioner may issue a
14 cease and desist order, as provided in RSA 384:12-a, IV, against any
15 individual or business entity which engages in any act or conduct in
16 violation of RSA 384:67 involving a financial institution under the
17 jurisdiction of the Commissioner and may bring legal action to enforce the
18 order.

19 Pursuant to RSA 383:10-d ("Consumer Complaints and Restitution"), the
20 Commissioner shall have exclusive authority and jurisdiction to investigate
21 conduct that is or may be an unfair or deceptive act or practice that may
22 violate any of the provisions of Titles XXXV and XXXVI and administrative
23 rules adopted thereunder. The Commissioner may hold hearings relative to
24 such conduct and may order restitution for a person or persons adversely
25 affected by such conduct.

24 NOTICE OF RIGHT TO REQUEST A HEARING

25 The above named Respondents or any interested party has the right to
petition for a hearing on this Cease and Desist Order (hereinafter "Order"),
as well as the right to be represented by counsel. If the above named

1 Respondents to whom this Order is issued, or any interested party, fail to
2 request a hearing within 30 calendar days of receipt of such Order, then such
3 person shall be deemed in default, and the Order shall, on the thirty-first
4 day, become permanent and shall remain in full force and effect until and
5 unless later modified or vacated by the Commissioner, for good cause shown.
6 Any such request for a hearing shall be in writing, signed by the
7 Respondent(s) or by the duly authorized agent of the above named Respondents,
8 and shall be delivered either by hand or certified mail, return receipt
9 request, to the Banking Department, State of New Hampshire, 53 Regional
10 Drive, Suite 200, Concord, NH 03301.

11 A hearing shall be held not later than 10 days after the petition for
12 such hearing is received by the Commissioner. All hearings shall comply with
13 RSA 541-A. If the person to whom this Order is issued fails to appear at the
14 petitioned hearing after being duly notified of the date and time, such
15 business entity shall be deemed in default, and the proceeding may be
16 determined against it upon consideration of this Order, the allegations of
17 which may be deemed to be true.

18 **STATEMENT OF ALLEGATIONS, APPLICABLE LAW, AND RELIEF REQUESTED**

19 The Staff Petition dated April 15, 2010 (a copy of which is attached
20 hereto) is incorporated by reference herein.

21 **ORDER**

22 WHEREAS, finding it necessary and appropriate and in the public
23 interest, and consistent with the intent and purposes of the New Hampshire
24 banking laws, and

25 WHEREAS, finding that the allegations contained herein, if proved true
and correct, form the legal basis of the relief requested,

1 It is hereby ORDERED, that:

- 2 1. The Respondents shall immediately cease and desist from the
3 unauthorized and deceptive use of the full or abbreviated
4 name, trade name, service mark, or trademark of any financial
5 institution in any written, electronic, or oral advertisement
6 or solicitation for products or services;
- 7 2. The Respondents shall immediately cease and desist from
8 including loan information relative to a specifically
9 identified consumer that is publicly available in:
10 a. any written or electronic solicitation when the
11 advertisement or solicitation does not clearly and
12 conspicuously state on the front page or introduction in
13 bold-faced type in the same font size as is
14 predominately used in the advertisement or solicitation
15 disclosing that such individual or business entity is
16 not sponsored by or affiliated with, and that such
17 solicitation is not authorized by, the financial
18 institution and that the information was retrieved from
19 public records, or
20 b. an oral solicitation when the same disclosure is not
21 made at the beginning of the solicitation;
- 22 3. The Respondents shall show cause why it should not pay
23 administrative penalties in the amount of \$2,500 per each
24 violation of RSA 384:67 ("Unauthorized and Deceptive Use");
- 25 4. Failure to request a hearing within 30 days of the date of
receipt of this Order shall result in a default judgment being
rendered and administrative penalties being imposed upon the
defaulting Respondents.

1 State of New Hampshire Banking Department

2
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8 Educator Group Plans, Insurance) April 15, 2010
9 Services, Inc., 11551 Forest Central)
10 Drive, Suite 200, Dallas, TX 75243)
11 (d/b/a Educator Group Plans ("EGP"),)
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16 Group Plans Insurance Services, Inc.)
17 of Austin and Dallas, d/b/a EGP)
18 Insurance Services, d/b/a Senior)
19 Advisor Services, d/b/a Senior)
20 Education Council, d/b/a Senior)
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22 Services, Inc., d/b/a Senior Advisor)
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25 Services, d/b/a Equita, d/b/a EQUITA)
Educator Group Plans, d/b/a EQUITA)
Educator Group, d/b/a The Equita)

1 Group, d/b/a Equita Group, d/b/a)
2 Equita, d/b/a Equita Final Expense)
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13 Services of TX, Inc., d/b/a Equita)
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16 Insurance Services of Texas, Inc.,)
17 d/b/a Equita Financial & Insurance)
18 Services of Texas, Inc., d/b/a Equita)
19 of Texas Financial & Insurance)
20 Services, Inc., d/b/a Equita Mortgage)
21 Group, d/b/a EQUITA Mortgage Group,)
22 d/b/a Equita Mortgage Protection)
23 Leads), Richard G. Wolfe and Samuel)
24 D. Wolfe,)
25 Respondents)

STATEMENT OF ALLEGATIONS

I. The staff of the Banking Department, State of New Hampshire (hereinafter referred to as the "Department") alleges the following facts:

1. On or about July 2, 2009, the Department received a written communication from Consumer A, an individual, regarding a mailing from Respondent Educator Group Plans, Insurance Services, Inc., 11551 Forest Central Drive, Suite 200, Dallas, TX 75243 (Hereinafter "EGPIS").

2. Respondent EGPIS's (and therefore all of the above named Respondents) solicitation references the name of a credit union (hereinafter "Financial Institution A") in three places on the solicitation itself:

a. The top of the solicitation states Consumer A's name and address with the loan amount and date on the right of the page,

b. The borrower information box reveals Consumer A's name and address along with the total loan amount and name of Consumer A's lender,

c. Consumer A's name and address along with the total loan amount and name of lender appear in fine print at the bottom of the solicitation,

3. Financial Institution A did not authorize Respondent EGPIS any of the above named Respondents to use the full or abbreviated

1 name, trade name, service mark, or trademark of Financial
2 Institution A.

3 4. Respondents' solicitation further advises that benefits can
4 include:

5 a. In case of death, the program/plan would pay the mortgage
6 in the event of borrower's death;

7 b. In case of disability, the program/plan provides money to
8 make the consumer's monthly mortgage payment if the borrower
9 becomes disabled and cannot work;

10 c. In case of critical illness, the program/plan can pay a
11 portion of the borrower's death benefit if diagnosed with a
12 critical illness;

13 d. In case of unemployment, the program/plan pays the
14 borrower's premiums;

15 e. A level premium indicates that payments do not increase;
16 and
17

18 f. A money back option allows the return of all premium
19 payments if benefits are not used.
20

21 5. The return address listed on the solicitation materials is
22 11551 Forest Central Drive, Suite 200, Dallas, TX 75243. A
23 search for "11551 Forest Central Drive, Suite 200, Dallas, TX
24 75243" via a Google internet search reveals Respondent EGPIS
25 operates under the names of Educator Group Plans, Senior
Advisor Services, Senior Education Council, Educator

1 Retirement Services, Equita Educator Group, The Equita Group,
2 Equita Final Expense Services ("EFES" and "EFES Online"),
3 Equita Financial & Insurance Services of Texas, Inc., Equita
4 Financial Services, and Equita Financial and Insurance
5 Services, Inc. All of the aforementioned companies use the
6 phone number 800-765-0711.

7 6. A Google internet search for the phone number "800-765-0711"
8 reveals that the following companies can be contacted using
9 this number: Equita Financial & Insurance of Texas, Equita
10 Mortgage Protection Leads, Equita Financial Services, Senior
11 Advisor Services, EFES Online, Equita Final Expense Leads, and
12 Equita Group. All of the aforementioned companies listed an
13 address of 11551 Forest Central Drive, Suite 200, Dallas, TX
14 75243.

15 7. A search of the Better Business Bureau website at www.bbb.org
16 indicates Respondent EGPIIS is also known as Senior Advisor
17 Services; The Equita Group; Equita Financial & Insurance
18 Services of TX; Equita Financial Services; and Equita Final
19 Expense Services with the same address as stated in paragraph
20 1 above. The phone number listed is 800-765-0711. Richard G.
21 Wolfe is the president and principal listed for all of the
22 aforementioned companies.

23 8. A Google internet search for Educator Group Plans reveals that
24 the company is located at 11551 Forest Central Drive, Suite
25 207, Dallas, TX 75243 and has a contact phone number of 800-
765-0711. The company's website is www.educatorplans.com.
Information found on the website indicates that this company

1 also operates under the names of EQUITA Educator Group Plans
2 and EGP. The website states that products are offered by
3 EQUITA Educator Group and that Educator Group Plans is a
4 subsidiary of the Equita Group. The disclosure located at the
5 bottom of the website lists a copyright for 2009 "EDUCATOR
6 GROUP PLANS".

7 9. Educator Group Plans Ins Services Inc. is licensed by the Utah
8 Insurance Department. Utah Insurance Department records state
9 that this company has an address of 11551 Forest Central
10 Drive, Suite 200, Dallas, TX 75243 and a phone number of 800-
11 765-0711. Richard Gary Wolfe is the Registered Agent for the
12 company. The company uses the website <http://equita1.com>.

13 10. Educator Group Plans, Insurance Services, Inc. is licensed by
14 the California Insurance Department. California Insurance
15 Department records state that this company also operates under
16 the name "EGP Insurance Services". The records also indicate
17 that this company has an address of 11551 Forest Central
18 Drive, Suite 200, Dallas, TX 75243. The agent on record is
19 Richard Gary Wolfe.

20 11. Equita Financial and Insurance Services of Texas, Inc. is
21 licensed by the California Insurance Department. California
22 Insurance Department records state that this company also
23 operates under the names Equita of Texas Financial & Insurance
24 Services, Inc., and Senior Advisor Services and Insurance
25 Services, Inc. The records also indicate that this company
has an address of 11551 Forest Central Drive, Suite 200,
Dallas, TX 75243. The agent on record is Richard Gary Wolfe.

1 12. A Google internet search revealed several administrative and
2 legal actions involving the aforementioned Respondents:

3 a. The Texas Department of Insurance issued an Order imposing
4 a \$34,830 fine on September 18, 2007 against Wolfe,
5 Richard Gary, Equita Financial and Insurance Services of
6 TX, Senior Advisor Services and Insurance Services, Inc.,
7 Educator Group Plans Insurance Services, Inc. of Austin
8 and Dallas. The Order alleges the respondents engaged in
9 unfair and deceptive acts or practices in addition to an
10 alleged advertising violation.

11 b. The State of Illinois Department of Financial and
12 Professional Regulation Division of Banking issued a Cease
13 and Desist Order against Senior Advisor Services d/b/a
14 Educator Group Plans & Insurance Services, 11551 Forest
15 Central Drive, Suite 200, Dallas, Texas, 75243 on March 1,
16 2006.

17 c. The State of Wisconsin Department of Financial
18 Institutions issued a Cease and Desist Order on February
19 2, 2007 against Educator Group Plans, Dallas, TX. The
20 company was ordered to cease using a credit union's name
21 in marketing material without permission of said credit
22 union.

23 d. An Affidavit of Samuel D. Wolfe filed with North Carolina
24 General Court of Justice, Superior Court Division (Docket
25 No. 08CVS003764) states that Respondent Samuel D. Wolfe is
the Chief Marketing Officer of Educator Group Plans, Inc.,

1 d/b/a Equita Mortgage Group which has its principal place
2 of business in Dallas, Texas.

3 13. The website, www.senioradvisorsservices.com, describes
4 Respondent Senior Advisor Services as having a home office at
5 11551 Forest Central Drive, Suite 207, Dallas, TX 75243 and a
6 contact phone number of 800-765-0711. A line at the top of all
7 pages listed on the site states Equita Financial and Insurance
8 Services, Inc. is a d/b/a for Senior Advisor Services.

9 15. A Google internet search of "The Equita Group" reveals the
10 company's website is www.equita.us. This website states that
11 The Equita Group is an independent agency under The Equita
12 Mortgage Group ("EMG").

13 16. A Google internet search of "Equita Mortgage Group" reveals the
14 company's website is www.equitamortgageprotectionleads.com.
15 Statements on the website indicate that the company also
16 operates under the name of "Equita". The website indicates that
17 Samuel D. Wolfe is the Co-founder and Chief Executive Officer
18 of the company. The contact phone number for this company is
19 800-765-0711. A disclosure on the bottom of the website lists
20 a Copyright for 2009 EQUITA Mortgage Group. The website,
21 www.directory.dallasnews.com, lists the company's address as
22 11551 Forest Central Drive, Suite 200, Dallas, TX 75243.

23 17. Information regarding Equita Final Expense Services ("EFES" and
24 "EFES Online") can be found at www.efesonline.com. The
25 disclosure at the bottom of the website's home page lists
Copyright 2008 Equita Final Expense, and on another webpage

1 from the site, it states Copyright 2009 Final Expense Insurance
2 Center. A tab at the top of the home page entitled "The Lead
3 Center" allows the user access to the user name and password
4 page. The Lead Center page gives a Helpdesk number of 1-800-
5 765-0711 and a Helpdesk email address of helpdesk@equital.com.
6 The company's marketing agreement can also be accessed from
7 this website when entering a user name and password. Copies of
8 the Marketing Agreement were discovered via a Google internet
9 search.

10 a. The Marketing Agreement states the Agreement is between
11 the agent and EQUITA FINAL EXPENSE ("Equita").

12 b. The Lead Reimbursement Agreement, which is part of the
13 Marketing Agreement, states that the Agreement is
14 between the agent and Educator Group Plans Insurance
15 Services, Inc. ("Equita").

16 c. One of three Lead Deduction Authorization forms states
17 that the agent is liable to The Equita Group for the
18 Total Lead Charge.

19 d. The Marketing Agreement states that the address for
20 Equita Final Expense Services ("EFES") is 11551 Forest
21 Central Drive, Suite 200, Dallas, TX 75243 and the phone
22 number is 1-800-765-0711.

23 18. A Google internet search for "Equita Financial" reveals that
24 the company's website is www.equital.com. As indicated on the
25 website, Equita Financial appears to operate under the names
Equita Financial Services, Equita Financial and Insurance

1 Services of Texas, Inc., Equita Financial and Insurance
2 Services, Inc., and Senior Advisor Services. The address listed
3 on the website is 11551 Forest Central Drive, Suite 207,
4 Dallas, TX 75243 and the phone number is 800-765-0711.

5 **ISSUES OF LAW**

6 The staff of the Department alleges the following issues of law:

- 7 a. The Department re-alleges the above-stated facts in
8 paragraphs 1 through 17.
- 9 b. The Department has jurisdiction over state-chartered banks
10 and credit unions pursuant to RSA 383:9 ("Duties").
- 11 c. Pursuant to RSA 384:12-a, IV ("Cease and Desist Order"),
12 the Bank Commissioner (hereinafter "Commissioner") may
13 issue and serve upon an individual or business entity a
14 Cease and Desist Order for any act or conduct that is in
15 violation of RSA 384:67 ("Unauthorized and Deceptive
16 Use").
- 17 d. Pursuant to RSA 384:68 ("Enforcement"), the Commissioner
18 may issue a Cease and Desist Order against any individual
19 or business entity which engages in any act or conduct
20 that violates RSA 384:67 involving a financial institution
21 under the jurisdiction of the Commissioner and may bring
22 legal action to enforce the order.
- 23 e. Pursuant to RSA 384:67, I (a), no individual or business
24 entity shall, without the prior written authorization of a
25 financial institution, "use the full or abbreviated name,
trade name, service mark, or trademark of any financial
institution in any written, electronic, or oral
advertisement or solicitation for products and services."

