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ARKANSAS SECURITIES DEPARTMENT

FOR IMMEDIATE RELEASE

Date: June 24, 2009

Contact Person: Scott Freydl, Staff Attorney

ARKANSAS SECURITIES COMMISSIONER ISSUES A CEASE AND DESIST ORDER STOPPING UNLICENSED MORTGAGE LOAN ACTIVITY

Arkansas Securities Commissioner A. Heath Abshure issued a Cease and Desist Order today against 21st Century Legal Services, Inc., Sandy Ayala also known as Sandi Ayala, and Michael Herried. 21st Century Legal Services, Inc. is a mortgage loan brokerage company located in Rancho Cucamonga, California. Sandy Ayala also known as Sandi Ayala, and Michael Herried are employees of 21st Century Legal Services, Inc. The order reflects that three Arkansas residents were solicited and accepted for mortgage loan modifications by 21st Century Legal Services, Inc., Sandy Ayala also known as Sandi Ayala, and Michael Herried. Neither the 21st Century Legal Services, Inc. nor any of the individuals named in the order were properly licensed by the Arkansas Securities Department during the time of the solicitation or acceptance of these mortgage loan modifications. Staff Attorney Scott Freydl said, "Arkansas residents need to be very careful to make decisions that are based on complete and accurate information concerning any services provided by a company offering to renegotiate or modify an existing mortgage loan. Most mortgage companies already have programs that provide legitimate assistance for consumers that may be having difficulty in making their monthly mortgage payments. Consumers should first contact their mortgage lender or mortgage servicer to discuss any programs or options concerning a modification or renegotiation of the consumer's mortgage. In addition, consumers should keep in contact with their lender or mortgage servicer during the modification or renegotiation process. Finally, consumers should be extremely wary of any company that wants to collect an upfront fee for providing renegotiation or modification services. The collection of upfront fees often violates Arkansas law and can be an indication that a company is not legitimate. Arkansas residents are encouraged to contact the Arkansas Securities Department prior to making any mortgage loan decisions in order to find out if the mortgage broker and/or loan officer are properly licensed by the Department."

The public is advised that in his order Commissioner Abshure directed the Staff of the Arkansas Securities Department to continue their investigation into this matter. Should anyone have any further information about 21st Century Legal Services, Inc., Sandy Ayala also known as Sandi Ayala, or Michael Herried, please contact Scott Freydl at 501-324-9266. A copy of the order is available on the Arkansas Securities Department's website, www.securities.arkansas.gov, Order No. C-09-033-09-CD01, In the Matter of 21st Century Legal Services, Inc., Sandy Ayala also known as Sandi Ayala, and Michael Herried.