

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION

IN RE:

Administrative Proceeding
No.: 3226-F-12/11
3226a-F-12/11

QUALITY FLORIDA GROUP CORP., and
NORMAN A. QUINTERO, SR., as Principal
Representative of Quality Florida Group, Corp.,

Respondents.

_____ /

AFFIDAVIT OF PERSONAL SERVICE OF
ADMINISTRATIVE COMPLAINT AND NOTICE OF RIGHTS

STATE OF FLORIDA)
County of Palm Beach)

BEFORE ME, this day, personally appeared Sedric Johnson who being duly sworn,
deposes and says:

I, Sedric Johnson, Area Financial Manager with the State of Florida, Office of Financial Regulation,
Finance Division, hereby certify that on the 3rd day of January 2012 at 9:30a.m., I served one (1) copy
of the Administrative Complaint and Notice of Rights, Administrative Proceeding Case No. 3226a-F-
4/10, upon the person of Delia Quintero, at the address of 6824 Sparrow Hawk Drive, West Palm
Beach, Florida 33412.

FURTHER AFFIANT SAYETH NAUGHT.

SWORN TO AND SUBSCRIBED ON this 3rd day of January 2012.

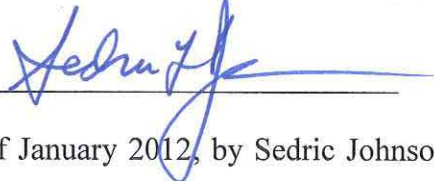
The forgoing was acknowledged before me this 3rd day of January 2012, by Sedric Johnson,
who is personally known and who did (did not) take an oath.

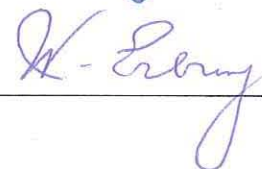
NOTARY PUBLIC

My Commission Expires:



W. ERBRING
MY COMMISSION # EE 021219
EXPIRES: August 26, 2014
Bonded Thru Budget Notary Services





STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION

JH#903
1/3/12
9:30 AM

STATE OF FLORIDA, OFFICE OF
FINANCIAL REGULATION,

Petitioner,

v.

QUALITY FLORIDA GROUP, CORP.,
and
NORMAN A. QUINTERO, SR., as
Principal Representative of Quality Florida
Group, Corp.,

Respondents.

Administrative Proceeding
Nos. 3226-F-12/11
3226a-F-12/11

ADMINISTRATIVE COMPLAINT AND NOTICE OF RIGHTS

Respondents Quality Florida Group, Corp. ("QFG") and Norman A. Quintero, Sr. ("Quintero"), hereinafter collectively referred to as "Respondents", are hereby given notice that twenty-one (21) days after the receipt of this Administrative Complaint and Notice of Rights, the State of Florida, Office of Financial Regulation (hereinafter "Office"), intends to issue a Final Order against the Respondents imposing one or more of the sanctions authorized by the Florida Loan Originators and Mortgage Brokers Act, Parts I-III, Chapter 494, Florida Statutes. Such sanctions may include, without limitation, the imposition of fines, the revocation of licenses, and/or the entry of a Cease and Desist Order.

In support thereof, the Office states the following:

STATEMENTS OF FACT

1. Pursuant to Section 20.121, Florida Statutes, the Office is the state agency authorized and charged with the administration and enforcement of Chapter 494, Florida Statutes, and the rules promulgated thereunder.
2. QFG is a Florida corporation with its principal office located at 5390 Hoffner Avenue, Suite C, Orlando, Florida.
3. QFG currently holds a correspondent mortgage lender license (CL0701092) in the state of Florida.
4. At all times material hereto, Norman A. Quintero, Sr. ("Quintero") has been the owner, president, secretary, and registered agent of QFG.
5. Quintero resides at 6824 Sparrow Hawk Drive, West Palm Beach, Florida.
6. Quintero currently holds a mortgage broker license in the state of Florida (MB0820550) and is the principal representative of QFG (PR082257).

Loan Modifications

7. In January 2011, the Office began conducting an examination of Respondents' books and records.
8. In several loan modifications offered between July 2010 to September 2011, Respondents solicited, charged, and received payments for loan modification services before completing or performing all services included in the agreement for loan modification services.
9. Respondents used an agreement for loan modifications that did not contain, "immediately above the signature line...a statement...which substantially complies with the following:

BORROWER'S RIGHT OF CANCELLATION

YOU MAY CANCEL THIS AGREEMENT FOR LOAN MODIFICATION SERVICES WITHOUT ANY PENALTY OR OBLIGATION WITHIN 3 BUSINESS DAYS AFTER THE DATE THIS AGREEMENT IS SIGNED BY YOU.

THE LOAN ORIGINATOR, MORTGAGE BROKER, OR MORTGAGE LENDER IS PROHIBITED BY LAW FROM ACCEPTING ANY MONEY, PROPERTY, OR OTHER FORM OF PAYMENT FROM YOU UNTIL ALL PROMISED SERVICES HAVE BEEN COMPLETED. IF FOR ANY REASON YOU HAVE PAID THE CONSULTANT BEFORE CANCELLATION, YOUR PAYMENT MUST BE RETURNED TO YOU WITHIN 10 BUSINESS DAYS AFTER THE CONSULTANT RECEIVES YOUR CANCELLATION NOTICE.

TO CANCEL THIS AGREEMENT, A SIGNED AND DATED COPY OF A STATEMENT THAT YOU ARE CANCELING THE AGREEMENT SHOULD BE MAILED (POSTMARKED) OR DELIVERED TO (NAME) AT (ADDRESS) NO LATER THAN MIDNIGHT OF (DATE) .

IMPORTANT: IT IS RECOMMENDED THAT YOU CONTACT YOUR MORTGAGE LENDER OR MORTGAGE SERVICER BEFORE SIGNING THIS AGREEMENT. YOUR LENDER OR SERVICER MAY BE WILLING TO NEGOTIATE A PAYMENT PLAN OR A RESTRUCTURING WITH YOU FREE OF CHARGE¹."

Subpoenas

12. On February 4, 2011, the Office issued subpoena duces tecum #2011-004 to QFG.
13. The subpoena duces tecum required production of bank account information, accounting records for appraisal fees, and copies of appraisals and invoices.
14. The documents were due to the Office no later than February 16, 2011.
15. To date, QFG has refused to provide the records.
16. On February 4, 2011, the Office also issued subpoena duces tecum #2011-005 to Quintero.
17. The subpoena duces tecum required production of bank statements.
18. The documents were due to the Office no later than February 16, 2011.
19. To date, Quintero has refused to provide the records.

¹ Section 494.00296(2)(c), Florida Statutes.

20. On September 13, 2011, the Office issued subpoena duces tecum #2011-027 to QFG.

21. The subpoena duces tecum required production for copying and inspection of all appraisal reports performed by QFG, or by a third party at QFG's request, from July 1, 2011 through the present.

21. The due date for compliance with the subpoena duces tecum was on or before September 27, 2011.

22. To date, Respondents have refused to provide these documents.

23. On October 27, 2011, the Office's examiners visited QFG and requested access to QFG's Mortgage Brokerage and Lending Loan Journal ("loan journal") from January 6, 2011 through the present and copies of all of QFG's bank account statements for July, August, and September 2011.

24. As a licensee, QFG is required to maintain the loan journal.

25. Quintero denied the Office's examiners access to QFG's books and records.

26. The Office's examiners served QFG with OFR Subpoena Duces Tecum #2011-032 demanding the records described above, to be produced by November 3, 2011.

27. To date, Respondents have refused to provide the documents.

CONCLUSIONS OF LAW

Based on the foregoing Statement of Facts, the Office concludes as a matter of law each of the following:

27. Section 494.00255, Florida Statutes, provides in relevant part:

(2) If the office finds a person in violation of any act specified in this section, it may enter an order imposing one or more of the following penalties:

(a) Issuance of a reprimand.

- (b) Suspension of a license, subject to reinstatement upon satisfying all reasonable conditions imposed by the office.
- (c) Revocation of a license.
- (d) Denial of a license.
- (e) Imposition of a fine in an amount up to \$25,000 for each count or separate offense.

28. For activities after October 1, 2010, Section 494.0014, Fla. Stat., states:

- (1) The office may issue and serve upon any person an order to cease and desist and to take corrective action if it has reason to believe the person is violating, has violated, or is about to violate any provision of ss. 494.001-494.0077, any rule or order issued under ss. 494.001-494.0077, or any written agreement between the person and the office. All procedural matters relating to issuance and enforcement of such order are governed by the Administrative Procedures Act.
- (2) The office may order the refund of any fee directly or indirectly assessed and charged on a mortgage loan transaction which is unauthorized or exceeds the maximum fee specifically authorized in ss. 494.001-494.0077.

Count One – Section 494.00296, Florida Statutes

29. Section 494.00296, Florida Statutes, provides:

(1) **PROHIBITED ACTS.**—When offering or providing loan modification services, a loan originator, mortgage broker, or mortgage lender may not:

...

(c) Solicit, charge, receive, or attempt to collect or secure payment, directly or indirectly, for loan modification services before completing or performing all services included in the agreement for loan modification services. A fee may be charged only if the loan modification results in a material benefit to the borrower. The commission may adopt rules to provide guidance on what constitutes a material benefit to the borrower.

(2) **LOAN MODIFICATION AGREEMENT.**—

(a) The written agreement for loan modification services must be printed in at least 12-point uppercase type and signed by both parties. The agreement must include the name and address of the person providing loan modification services, the exact nature and specific detail of each service to be provided, the total amount and terms of charges to be paid by the borrower for the services, and the date of the agreement. The date of the agreement may not be earlier than the date the borrower signed the agreement. The mortgage broker or mortgage lender must give the borrower a copy of the agreement to review at least 1 business day before the borrower is to sign the agreement.

(b) The borrower has the right to cancel the written agreement without any penalty or obligation if the borrower cancels the agreement within 3 business days after signing the agreement. The right to cancel may not be waived by the borrower or limited in any manner by the loan originator, mortgage broker, or mortgage lender. If the borrower cancels the agreement, any

payments made must be returned to the borrower within 10 business days after receipt of the notice of cancellation.

(c) An agreement for loan modification services must contain, immediately above the signature line, a statement in at least 12-point uppercase type which substantially complies with the following:

BORROWER'S RIGHT OF CANCELLATION

YOU MAY CANCEL THIS AGREEMENT FOR LOAN MODIFICATION SERVICES WITHOUT ANY PENALTY OR OBLIGATION WITHIN 3 BUSINESS DAYS AFTER THE DATE THIS AGREEMENT IS SIGNED BY YOU.

THE LOAN ORIGINATOR, MORTGAGE BROKER, OR MORTGAGE LENDER IS PROHIBITED BY LAW FROM ACCEPTING ANY MONEY, PROPERTY, OR OTHER FORM OF PAYMENT FROM YOU UNTIL ALL PROMISED SERVICES HAVE BEEN COMPLETED. IF FOR ANY REASON YOU HAVE PAID THE CONSULTANT BEFORE CANCELLATION, YOUR PAYMENT MUST BE RETURNED TO YOU WITHIN 10 BUSINESS DAYS AFTER THE CONSULTANT RECEIVES YOUR CANCELLATION NOTICE.

TO CANCEL THIS AGREEMENT, A SIGNED AND DATED COPY OF A STATEMENT THAT YOU ARE CANCELING THE AGREEMENT SHOULD BE MAILED (POSTMARKED) OR DELIVERED TO (NAME) AT (ADDRESS) NO LATER THAN MIDNIGHT OF (DATE) .

IMPORTANT: IT IS RECOMMENDED THAT YOU CONTACT YOUR MORTGAGE LENDER OR MORTGAGE SERVICER BEFORE SIGNING THIS AGREEMENT. YOUR LENDER OR SERVICER MAY BE WILLING TO NEGOTIATE A PAYMENT PLAN OR A RESTRUCTURING WITH YOU FREE OF CHARGE.

(d) The inclusion of the statement does not prohibit a loan originator, mortgage broker, or mortgage lender from giving the homeowner more time to cancel the agreement than is set forth in the statement if all other requirements of this subsection are met.

e) The person offering or providing the loan modification services must give the borrower a copy of the signed agreement within 3 hours after the borrower signs the agreement.

Count II: Section 494.00255, Florida Statutes

30. Section 494.00255(1)(v) and (w), Florida Statutes, provide:

(1) Each of the following acts constitutes a ground for which the disciplinary actions specified in subsection (2) may be taken against a person licensed or required to be licensed under part II or part III of this chapter:

...

(w) Refusal to permit an investigation or examination of books and records, or refusal to comply with an office subpoena or subpoena duces tecum.

31. As set forth above, Respondents refused to comply with the Office's subpoenas duces tecum and refused to permit an examination of QFG's books and records, in violation of Section 494.00255(1)(w), Florida Statutes.

32. Pursuant to Sections 494.0014(1) and 494.0041(1), Florida Statutes, there is a basis to order the Respondents to cease and desist further violations of Chapter 494, Florida Statutes, and to impose other enumerated penalties on the Respondents.

PROPOSED AGENCY ACTION

Based on the statements of fact and conclusions of law, NOTICE IS HEREBY PROVIDED that the Office of Financial Regulation will enter a Final Order in this matter ordering revocation or suspension, or voiding of licenses CL070109 and MB0820550 granted pursuant to this part, the imposition of fines, and/or the entry of a Cease and Desist Order against the Respondents pursuant to Chapter 494, Florida Statutes.

NOTICE OF RIGHTS

You may request a hearing to be conducted in accordance with the provisions of Sections 120.569 and 120.57, Florida Statutes. A request for such a hearing must comply with the provisions of Rule 28-106.104(2), Florida Administrative Code, and Rule 28-106.2015, Florida Administrative Code, and must be filed with the Agency Clerk as follows:

By Mail or Facsimile

OR

By Hand Delivery

Office of Financial Regulation
P.O. Box 8050
Tallahassee, Florida 32314-8050
Phone: (850) 410-9887
Fax: (850) 410-9914

Office of Financial Regulation
General Counsel's Office
The Fletcher Building, Suite 118
101 East Gaines Street
Tallahassee, Florida 32399-0379
Phone: (850) 410-9887

Your request must be filed within 21 days of the date of receipt of this Notice.

YOUR FAILURE TO RESPOND TO THIS NOTICE WITHIN 21 DAYS OF RECEIPT WILL CONSTITUTE A WAIVER OF YOUR RIGHT TO REQUEST A HEARING AND A FINAL ORDER MAY BE ENTERED WITHOUT FURTHER NOTICE.

In the event that a hearing is requested, all parties will have the right to be represented by counsel or other qualified representative; to offer written and oral testimony; to call and cross-examine witnesses; and to have subpoenas and subpoenas duces tecum issued on your behalf. Pursuant to Section 120.573, Florida Statutes, you are advised that mediation of this matter is not available.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Administrative Complaint was served by hand delivery to Norman A. Quintero, Sr., at 6824 Sparrow Hawk Drive, West Palm Beach, Florida 33412.



JENNY K. BAUER

Fla. Bar No. 010488

TOBI C. PAM

Fla. Bar. No. 745782

Counsel for the Petitioner

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