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4 **STATE OF OREGON**
5 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
6 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

7 In the Matter of:

DM-13-0006

8 Legality Shield,

**Order to Cease and Desist,
and Consent to Entry of Order**

9 Respondent.

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11 WHEREAS the Director of the Department of Consumer and Business Services for
12 the State of Oregon (“Director”) conducted an investigation of Legality Shield and
13 determined that Legality Shield engaged in activities constituting violations of Oregon
14 Revised Statutes (“ORS”) 86A.100 *et seq.* and Oregon Administrative Rules (“OAR”) 441-
15 850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Laws and Rules”)
16 and ORS 697.602 to 697.842 and OAR 441-910-0000 through 441-910-0120 (collectively
17 “Oregon Debt Management Service Provider Laws and Rules”); and

18 WHEREAS Legality Shield wishes to resolve and settle this matter with the Director;

19 NOW THEREFORE, as evidenced by the authorized signature subscribed on this
20 Consent Order, Legality Shield hereby consents to entry of this order upon the Director’s
21 Findings of Fact and Conclusions of Law as stated hereinafter:

22 **FINDINGS OF FACT**

23 The Director finds that:

24 1. Based on a search of the California Secretary of State (“California SOS”) website
25 on May 20, 2013, Legality Shield (Respondent) has been registered as a professional
26 corporation with the California SOS since August 29, 2011.





1 indirectly made, negotiated, or offered to make or negotiate a modification to the terms and
2 conditions of a mortgage loan.

3 9. Respondent engaged in “residential mortgage transactions”, as that term is defined
4 in ORS 86A.103(2), when Respondent acted as a mortgage broker as defined in Paragraph 8
5 above in regard to residential property located in Oregon.

6 10. Respondent violated ORS 86A.103(1) when Respondent engaged in a residential
7 mortgage transactions in Oregon without first obtaining a mortgage broker’s license from the
8 Division.

9 11. Respondent performed “debt management services”, as that term is defined in
10 ORS 697.602(2)(c), when Respondent expected to receive money from Oregon clients in
11 exchange for offering to modify terms and conditions of an existing loan or obligation.

12 12. Respondent violated of ORS 697.612(1)(b)(A)when Respondent expected to
13 receive money or other valuable consideration for soliciting or receiving an application
14 from Oregon consumers for “debt management services”, as described in Paragraph 10
15 above, without first registering as debt management service provider with the Department.

16 13. Respondent violated of ORS 697.662(12)(a) when Respondent published,
17 distributed, or broadcast or caused to be published, distributed, or broadcast material
18 containing false, misleading, or deceptive statements or representations regarding the status
19 of Oregon consumers’ residential mortgages.

20 **ORDER**

21 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

22 14. Pursuant to ORS 86A.127(4) and ORS 697.825(1)(a), the Director, hereby orders
23 Respondent to cease and desist from violating the Oregon Mortgage Lender Laws and Rules
24 and Debt Management Service Providers Laws and Rules.

25 15. Respondent further agrees not to engage in any business activity in Oregon that
26 requires registration of licensing by the Division of Finance and Corporate Securities without

1 first obtaining the requisite registration or license.

2 The entry of this order in no way further limits remedies that may be available to the
3 Director under Oregon Law.

4 Dated this 25th day of June, 2013.

5
6 PATRICK M. ALLEN, Director
7 Department of Consumer and Business Services

8 /S/ _____
9 David C. Tatman, Administrator
10 Division of Finance and Corporate Securities

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13 **CORPORATE CONSENT TO ENTRY OF ORDER**

14 I, Robert Broderick, state that I am the President of Legality Shield, (“Respondent”), a
15 California corporation, and I am authorized to act on its behalf; that I have read the foregoing
16 Consent Order and that I know and fully understand the contents hereof; that I and
17 Respondent have been advised of the right to a hearing and of the right to be represented by
18 counsel in this matter; that Respondent voluntarily and without any force or duress, consents
19 to the entry of this Consent Order, expressly waiving any right to a hearing in this matter; that
20 Respondent understands that the Director reserves the right to take further actions to enforce
21 this Consent Order or to take appropriate action upon discovery of other violations of the
22 Oregon Mortgage Lender Laws and Rules and that Respondent will fully comply with the
23 terms and conditions stated herein.

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