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

In the Matter of:

**DM-14-0010**

Cronauer Law Center, PC,

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

Respondent.

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WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”) conducted an investigation of Cronauer Law Center, PC (CLC). The Division determined that violations of Oregon Revised Statutes (“ORS”) 86A.100 *et seq.* and Oregon Administrative Rules (“OAR”) 441-850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Laws and Rules”) and ORS 697.602 to 697.842 and OAR 441-910-0000 through 441-910-0120 (collectively “Oregon Debt Management Service Provider Laws and Rules”) had been committed.

NOW THEREFORE, as evidenced by the authorized signature subscribed on this Consent Order, Adrian Cronauer, as the former incorporator of Cronauer Law Center, P.C., hereby consents to entry of this order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter.

**FINDINGS OF FACT**

The Director finds that:

1. As of the date of this Order, CLC was not and has not previously been licensed with the Oregon Division of Finance and Corporate Securities (“Division”) to conduct business as a “mortgage broker”, as that term is defined in ORS 86A.100(5)(a)(C), in Oregon.





1           2. As of the date of this order, CLC was not and has not previously been registered  
2 with the Division to provide “debt management services” as that term is defined in ORS  
3 697.602(2)(c), in Oregon.

4           3. On or about March 29, 2012, CLC entered into an agreement with Oregon  
5 consumers RT and ST whereby CLC, in exchange for an advance fee of \$3,100, agreed to  
6 provide RT and ST loan modification services on a mortgage loan on residential real property  
7 located in Oregon.

8           4. Pursuant to the terms of the Agreement, RT and ST made four payments to CLC, in  
9 the amount as follows: \$1,550 on April 4, 2012; \$775 on May 2, 2012; \$755 on June 4, 2012.

10          5. RT and ST did not receive a loan modification as promised by CLC.

11          6. On or about the end of December of 2011 or the beginning of 2012, Adrian  
12 Cronauer was contacted by an acquaintance, David Kaufman (Kaufman). Mr. Cronauer knew  
13 Kaufman through his veterans’ connections.

14          7. Kaufman told Mr. Cronauer that he had a long-time friend named Ratan Baid who  
15 was interested in setting up an enterprise to help individuals with financial problems with  
16 their mortgages and in particular, veterans.

17          8. Baid and Kaufman were interested in Mr. Cronauer because he is well-recognized  
18 in the veteran’s community as the Viet Nam DJ that was portrayed by Robin Williams in the  
19 movie, “Good Morning Vietnam.”

20          9. Kaufman convinced Mr. Cronauer, a member of the Washington DC bar, to set up a  
21 law office in Washington DC (DC) to, among other things, review mortgage modification  
22 documents when needed.

23          10. Mr. Cronauer told Kaufman that he did not have an active bar license in any other  
24 jurisdiction and Kaufman assured Mr. Cronauer that there were other attorneys who would  
25 handle matters in other jurisdictions. Mr. Cronauer had an inactive bar license in  
26 Pennsylvania.



1 11. Mr. Cronauer told Kaufman that he was concerned about the DC law office  
2 because the drive from Mr. Cronauer's home to the DC would take more than 5 hours.

3 12. Kaufman told Mr. Cronauer that all of the required work could be accomplished  
4 via e-mail and that Mr. Cronauer would rarely need to travel to the DC office at all.

5 13. Kaufman assured Mr. Cronauer that he (Kaufman) would take care of everything  
6 to set up the law office and get the law office registered to do business in DC as a professional  
7 corporation.

8 14. Mr. Cronauer understood from Kaufman that CLC was registered to do business in  
9 DC around early April of 2012.

10 15. On June 26, 2014, the Division of Finance and Corporate Securities received  
11 information from Washington DC Department of Consumer and Regulator Affairs, that the  
12 Articles of Incorporation had been filed for CLC, on March 2, 2012. Revocation took place  
13 on September 16, 2013 for failure to file their first two year report on April, 2013.

14 16. As far as Mr. Cronauer knew, CLC consisted of a law office located in a building  
15 that rented space to attorneys and was staffed by one part-time staff person to answer phones.

16 17. Mr. Cronauer was never told that in conjunction with CLC, a call center had been  
17 set up or that the call center for CLC was located outside of the United States.

18 18. Sometime in April or May of 2012, Mr. Cronauer became aware of a negative  
19 article about him and the CLC in the Wall Street Journal and told Kaufman to shut down the  
20 law office.

21 19. Although Mr. Cronauer told Kaufman to shut down CLC, Mr. Cronauer knew that  
22 the web site for the law office was still active in June of 2012. At Mr. Cronauer's repeated  
23 insistence, the web site was finally removed in July of 2012.

24 20. Shortly thereafter, Mr. Cronauer became aware that the Federal Trade Commission  
25 was investigating some of the individuals, including Ratan Baid, involved in the loan  
26 modification scheme.





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**NOTARY ACKNOWLEDGMENT**

State of Virginia                    )  
  )ss.  
County of \_\_\_\_\_)

This instrument was acknowledged before me on July 24, 2014 by Adrian Cronauer.

  /S/ Marian Simmons    
Notary Public – State of Virginia  
My Commission Expires: August 31, 2018

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Division of Finance and Corporate Securities  
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