

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. DM-19-0115

THE MEDIATOR LAW GROUP, PC,  
Respondent.

FINAL ORDER TO CEASE AND  
DESIST AND FINAL ORDER  
ASSESSING CIVIL PENALTIES,  
ENTERED BY CONSENT

The Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”) has investigated the practice of The Mediator Law Group, PC (“MLG” or the “firm”) under Oregon Revised Statutes (“ORS”) 697.602 to 697.842 and Oregon Administrative Rules (“OAR”) 441-910-0000 to 441-910-0200 (collectively, the “Oregon Debt Management Service Provider Law”).

MLG has cooperated with the Director’s investigation and, without admitting or denying the findings of fact and conclusions of law herein, wishes to settle this matter.

Now, therefore, as evidenced by the authorized signature(s) subscribed in this Order, MLG hereby consents to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law below.

**FINDINGS OF FACT**

The Director FINDS that:

1. MLG, a California professional corporation, is a law firm with a principal business address of 20700 Ventura Boulevard, Suite 300, Woodland Hills, California 91364. Its website is [www.mediatorlawgroup.com](http://www.mediatorlawgroup.com).

2. One of MLG’s shareholders is actively licensed with the Oregon State Bar (“MLG’s Oregon Attorney”).





1           3.     MLG provides a variety of legal services to its clients but specializes in family  
2 law, bankruptcy, legal debt resolution, and credit restoration. MLG also provides limited  
3 litigation representation in some jurisdictions.

4           4.     MLG is not registered with the Director, through the Oregon Division of  
5 Financial Regulation (the “Division”), as a debt management service provider (“DMSP”).

6           5.     Through its debt resolution program, MLG negotiates or offers to negotiate with  
7 creditors on behalf of consumers a discount, modification, or restructuring of the  
8 consumers’ unsecured debts.

9           6.     To avail of MLG’s debt resolution services, a consumer must sign a  
10 Contingency Fee Agreement for Debt Settlement (“Agreement”), which requires the  
11 consumer to regularly pay funds into a “special purpose account.” The funds in the special  
12 purpose account are then used to pay the consumer’s creditors and MLG’s fees. These  
13 special purpose accounts are administered by another company that provides dedicated  
14 account services.

15           7.     In addition to the Agreement, a consumer must sign a power of attorney  
16 granting MLG the authority to, among others, “[n]egotiate, compromise, settle debts,  
17 accounts, and demands as are now or shall become due, payable, or belonging to principal.”

18           8.     MLG charges a fee of 29% of the consumer’s debt enrolled in the firm’s debt  
19 resolution program. However, the firm does not charge initial, counseling, or monthly fees.

20           9.     MLG’s Oregon Attorney screens a consumer’s eligibility for legal debt  
21 resolution, oversees the client file throughout the course of the representation, oversees all  
22 non-attorney support staff working under his supervision, and provides legal and  
23 negotiation services as needed.

24 //

25 //

1 10. From November 2015 to June 2019, MLG offered or provided debt resolution  
2 services for a fee to at least 59 Oregon consumers.<sup>1</sup>

3 **CONCLUSIONS OF LAW**

4 The Director CONCLUDES that:

5 11. By offering or providing debt resolution services to Oregon consumers as  
6 described in paragraphs five to nine of this Order, MLG performed debt management  
7 services, as defined in ORS 697.602(2)(d).

8 12. Because MLG is a law firm in the business of providing debt management  
9 services and does not provide those services only incidentally in the practice of law, it is  
10 not exempt from registration as a DMSP under ORS 697.612(3)(b).

11 13. By performing debt management services in Oregon without being registered  
12 with the Division as a DMSP, MLG violated ORS 697.612(1)(a).

13 14. Because the Director has reason to believe that MLG has violated ORS  
14 697.612(1)(a), the Director is authorized under ORS 697.825(1)(a) to order MLG to cease  
15 and desist from violating that statute.

16 15. ORS 697.832(1) authorizes the Director to assess a civil penalty against MLG  
17 of up to \$5,000.00 per violation of the Oregon Debt Management Service Provider Law.

18 **ORDER**

19 Now therefore, the Director issues the following:

20 16. As authorized by ORS 697.825(1)(a), the Director ORDERS MLG to CEASE  
21 AND DESIST from violating ORS 697.612(1)(a).

22 17. As authorized by ORS 697.832(1), the Director ASSESSES \$29,500.00 in  
23 CIVIL PENALTIES against MLG for 59 violations of ORS 697.612(1)(a). The Director  
24

25 <sup>1</sup> For the purposes of this Order, couples who jointly availed of MLG's services are considered one client.



Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 suspends \$25,812.50 of the assessed civil penalties, provided MLG complies with the  
2 following conditions:

3 A. MLG shall refund a total of \$13,899.63 in fees to the following Oregon  
4 consumers:

- |   |                        |                      |
|---|------------------------|----------------------|
| 5 | (1) BB/MB - \$5,135.64 | (6) SKN - \$1,553.99 |
| 6 | (2) BD - \$ 2,330.07   | (7) WLB - \$293.67   |
| 7 | (3) KH - \$1,376.74    | (8) RC - \$80.03     |
| 8 | (4) SN - \$1,310.38    | (9) CTB - \$58.41    |
| 9 | (5) ST - \$1,642.95    | (10) TC - \$117.75   |

10 B. MLG shall refund the fees to BB/MB, using reasonable efforts and means,  
11 within 90 days of the date of this Order and provide proof of the refund to the Division;

12 C. MLG shall refund the fees to the rest of the Oregon consumers listed above to  
13 their respective special purpose accounts, if still active. If a consumer's special purpose  
14 account is no longer active, MLG shall refund the fees to the consumer using reasonable  
15 efforts and means. MLG shall complete the refunds within 90 days of the date of this Order  
16 and provide proof of the refunds to the Division;

17 D. If MLG cannot locate a particular consumer on the list within 90 days of the  
18 date of this Order, MLG shall provide the refund to the Oregon Department of State Lands  
19 ("DSL") for the DSL to distribute if the consumer contacts the Director or the DSL  
20 regarding the refund;

21 E. If MLG decides not to register with the Division as a DMSP, MLG shall state  
22 in its website that its services are not available in Oregon; and

23 F. MLG shall not violate the Oregon Debt Management Service Provider Law or  
24 the terms of this Order.

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1 18. If MLG fails to satisfy the above conditions, the \$25,812.50 in suspended civil  
2 penalties shall immediately become due and owing. If MLG satisfies the above conditions,  
3 the Director shall waive the suspended civil penalties three years after the date of this  
4 Order.

5 19. The \$3,687.50 in non-suspended civil penalties shall be paid as follows:  
6 \$1,687.50 paid concurrently with the execution of this Order, and four installment  
7 payments of \$500.00 due on October 1, 2020, December 1, 2020, February 1, 2021, and  
8 April 1, 2021.

9 20. Along with this Order, MLG shall submit to the Director \$1,687.50 as the initial  
10 payment for the non-suspended portion of the civil penalties.

11 21. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to this  
12 provision, entry of this Order does not limit the Director's authority to enforce this Order  
13 or take action against MLG for violations of this Order or violations not included in this  
14 Order that are discovered after the date of this Order.

15 22. Entry of this Order, in and of itself, does not preclude MLG from registering as  
16 a DMSP under the Oregon Debt Management Service Provider Law. MLG's registration  
17 application shall be reviewed in the normal course and according to the applicable law at  
18 the time of application.

19 SO ORDERED this 23<sup>rd</sup> day of July, 2020.

20 ANDREW R. STOLFI, Director  
21 Department of Consumer and Business Services

22  
23 /s/ Dorothy Bean  
24 Dorothy Bean, Chief of Enforcement  
25 Division of Financial Regulation

1 **ENTITY CONSENT TO ENTRY OF ORDER**

2 I, Robert Moskovith, am an officer or manager of The Mediator Law  
3 Group, PC (“MLG”). I am authorized to act and sign on behalf of MLG. I have read the  
4 foregoing Order, and I know and fully understand the contents hereof, without admitting  
5 or denying the Findings of Fact and Conclusions of Law. I have been advised of the right  
6 to a hearing and of the right to be represented by counsel in this matter. MLG voluntarily  
7 consents to the entry of this Order with no force or duress, expressly waiving any right to  
8 a hearing in this matter and any rights to administrative or judicial review of this Order.  
9 MLG understands that the Director reserves the right to take further action to enforce this  
10 Order or to take action upon discovery that MLG has committed other violations of the  
11 Oregon Debt Management Service Provider Law. MLG, along with its officers, directors,  
12 employees, or agents, shall comply with the terms and conditions stated herein.

13 MLG understands that this Order is a public document.

14  
15 Signature: /s/ Robert Moskovith

16 Position Held: Manager

17 **ACKNOWLEDGMENT**

18  
19 State of California

20 County of Los Angeles

21 Signed or attested before me on the 29 of June, 2020.

22  
23  
24 /s/ Kevin Patrick Rice  
25 Notary Public

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