

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

In the Matter of: **DM-12-0071**

Dagmandan

National Mitigation Corp

Respondent.

Final Order to Cease and Desist, Final Order Assessing Civil Penalties Entered by Default

On August 8, 2012, the Director of the Department of Consumer and Business

Services for the State of Oregon ("Director") acting pursuant to the authority contained in

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"), issued

Administrative Order No. DM-11-0034 Order to Cease and Desist, Proposed Order Assessing

Civil Penalties and Notice of Right to a Hearing ("Notice Order") against National Mitigation

Corp ("National Mitigation").

On August 8, 2012, Michelle Cousimano, the agent for service of process for National Mitigation, was properly served the Notice Order by certified U.S. Mail at 1519 E. Chapman Avenue, #359, Fullerton, CA 92831. Respondent has not made a written demand for a hearing in this matter and the time to do so has expired.

NOW THEREFORE, after consideration of the file in this matter maintained by the Oregon Department of Consumer and Business Services, the Director hereby issues the

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following Findings of Fact, Conclusions of Law, and Final Orders.

FINDINGS OF FACT

The Director finds that:

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- 1. Based on a search of the California Secretary of State ("California SOS") website on July 26, 2012, National Mitigation is a domestic corporation (Entity No. C3331805) first filed with the California SOS on November 4, 2010 and is currently active.
- 2. Based on a search of the Oregon Secretary of State ("Oregon SOS") Corporations Division website on July 26, 2012, National Mitigation is not, as of the date of this search, and has not previously been registered as a domestic or foreign entity with the Oregon SOS.
- 3. As of July 26, 2012, National Mitigation is not currently 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.
- 4. As of July 26, 2012, National Mitigation is not currently and has not previously been registered with the Division to provide "debt management services", as that term is defined in ORS 697.602(2)(c), in Oregon.
- 5. On or about November 19, 2012, National Mitigation entered into an agreement with Oregon consumer WP ("WP Agreement") whereby National Mitigation, in exchange for an advance fee of \$1,500, agreed to provide WP loan modification services on a mortgage loan on residential real property located in Oregon.
- 6. Pursuant to the terms of the WP Agreement, WP paid National Mitigation through three checks all payable to National Mitigation Corp in the amount of \$500 each as follows: Check No. 3022 dated January 13, 2012; Check No. 3053 dated February 15, 2012; and Check No. 3084 dated March 20, 2012.

CONCLUSIONS OF LAW

The Director concludes that:

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7. Na	tional Mitigation acted as a "mortgage broker", as that term is defined in ORS
86A.100(5)(a	a)(C), when it, for compensation, negotiated or offered to negotiate mortgage
loans for Ore	egon client WP.

- 8. National Mitigation engaged in "residential mortgage transactions", as that term is defined in ORS 86A.103(2), when it acted as a mortgage broker as defined in Paragraph 6 above.
- 9. National Mitigation violated ORS 86A.103(1) when it engaged in a residential mortgage transaction in Oregon for WP without first obtaining a mortgage broker's license from the State of Oregon.
- 10. National Mitigation performed "debt management services", as that term is defined in ORS 697.602(2)(c), when it received money from Oregon client WP in exchange for offering to modify terms and conditions of an existing loan or obligation.
- 11. National Mitigation violated ORS 697.612(1)(a) when it performed "debt management services", as described in Paragraph 9 above, without first registering as debt management service providers with the Department.
- 12. National Mitigation violated ORS 697.692(1)(a) when it collected initial fees of greater than \$50 from Oregon client WP.

ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

A. Order to Cease and Desist

13. Pursuant to ORS 86A.127 and ORS 697.825, the Director hereby orders National Mitigation to cease and desist from violating the Oregon Mortgage Lender Laws and Rules and Debt Management Service Providers Laws and Rules.

B. Proposed Order Assessing Civil Penalty

14. Pursuant to ORS 86A.992 and ORS 697.832, the Director may assess a civil penalty of up to \$5,000 for each violation of the Oregon Mortgage Lender Laws and Rules

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3 pay a civil penalty to the State of Oregon totaling \$10,000. The civil penalty is based upon 4 the following: 5 a. \$5,000 for violations of ORS 86A.103(1) and ORS 697.612(1)(a); and 6 b. \$5,000 for one violation of ORS 697.692(1). 7 16. The entry of this Order in no way further limits remedies that may be available 8 to the Director under Oregon Law. 9 Dated this <u>10th</u> day of <u>October</u>, 2012. 10 PATRICK ALLEN, Director 11 Department of Consumer and Business Services 12 /s/ David Tatman 13 David C. Tatman, Administrator Division of Finance and Corporate Securities 14 15 **NOTICE:** You are entitled to judicial review of this Order. Judicial review may be obtained 16 by filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the 17 service of this Order. Judicial review is pursuant to the provisions of ORS 183.482 to the 18 Oregon Court of Appeals. 19 20 21 23 24

and Oregon Debt Management Service Providers Laws and Rules.

15. Pursuant to these provisions, the Director hereby orders that National Mitigation

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