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

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of: The Goldberg Law Group aka Law Offices of Lee R. Goldberg and Lee R. Goldberg Respondents	**DM-12-0030** **Order to Cease and Desist, Order Assessing Civil Penalties, and Consent to Entry of Order**

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of the Goldberg Law Group aka the Law Offices of Lee R. Goldberg and Lee R. Goldberg and determined that the Goldberg Law Group aka the Law Offices of Lee R. Goldberg and Lee R. Goldberg engaged in activities constituting a violation of 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the "Oregon Mortgage Lender Law") and the Oregon statutes regulating debt management service providers, ORS 697.602 through 697.842; and

WHEREAS the Goldberg Law Group aka the Law Offices of Lee R. Goldberg and Lee R. Goldberg wish to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this order, the Goldberg Law Group aka the Law Offices of Lee R. Goldberg and Lee R. Goldberg hereby **CONSENT** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

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

FINDINGS OF FACT

The Director FINDS that:

1. The Goldberg Law Group, also known as the Law Offices of Lee R. Goldberg, (hereinafter the "Goldberg Law Group") is a sole proprietorship with a principal place of business located at 23272 Mill Creek Dr., Suite 360-W, Laguna Hills, CA 92653.

2. At all times relevant to this matter, Lee R. Goldberg (hereinafter "Goldberg") was the owner, sole proprietor, and principal attorney of the Goldberg Law Group.

3. At all times relevant to this matter, Goldberg has been licensed to practice law in the state of California and is currently licensed.

4. Goldberg has never been licensed or authorized to practice law in the state of Oregon.

5. Neither the Goldberg Law Group nor Goldberg have ever held an Oregon mortgage banker/broker license, and neither have ever been registered as an Oregon debt management service provider.

6. J & B Capital Corporation dba Nationwide Home Savers (hereinafter " NHS") is a California corporation with a principal place of business located at 28702 Peach Blossom, Mission Viejo, California 92692. The California Secretary of State's records show that J & B Capital Corporation's registration is currently suspended.

7. NHS has never held an Oregon mortgage banker/broker license and has never been registered as an Oregon debt management service provider.

I. Oregon Consumer Complainant J.F.

8. At all times relevant to this matter, the individual consumer identified herein as "J.F." was an Oregon resident and was party to a home mortgage loan secured by real estate located in Oregon.

9. Around May 2009, NHS contacted J.F. by mail offering to negotiate with J.F.'s lender to obtain a modification of the terms and conditions of his residential mortgage loan, including lower monthly payments.

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10. J.F. accepted this offer and entered into an agreement with NHS for loan modification services in June 2009.

11. After entering into a service agreement with J.F., NHS notified J.F. in writing that it had hired Goldberg and the Goldberg Law Group to continue the loan modification process for the company's loan modification files.

12. J.F. entered into an engagement agreement with the Goldberg Law Group and Goldberg wherein he would pay $3,000 to the firm to represent him in connection with a potential loan modification with his lender.

13. From the time period of June 30, 2009 through August 4, 2009, J.F. paid Goldberg in three installments a total of $3,000, including an initial fee of $1,500.

14. As of the date of this order, J.F. has not received a loan modification or a refund.

15. Goldberg reported that he represented NHS as legal counsel in late 2008/early 2009 advising the company with respect to contract formation and corporate matters. Goldberg also completed a brief initial review of all NHS loan modification files.

16. In mid-July 2009, NHS informed Goldberg that it was no longer accepting loan modification files from clients and was winding-up the business. Rather than abandoning its clients, NHS was to transfer the remaining files to Goldberg and the Goldberg Law Group to take over and manage. NHS was to pay Goldberg a fee per file.

17. Goldberg reported that NHS did not transfer most of the loan modification files to him, and NHS did not pay him all of the fees he was promised.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

1. By offering to assist J.F. in negotiating a modification to the terms and conditions of his residential mortgage loans with the expectation of compensation, the Goldberg Law Group and Goldberg acted as a "mortgage broker" under ORS 59.840(7)(a)(C), currently ORS 86A.100(5)(a)(C).

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2. The Goldberg Law Group and Goldberg engaged in "residential mortgage transactions in this state" under ORS 59.845(2), currently ORS 86A.103(2), by acting as a mortgage broker when it offered to assist J.F. in negotiating a modification of the terms and conditions of his mortgage loans that were secured by residential property located in Oregon.

3. The Goldberg Law Group and Goldberg violated ORS 59.845(1), currently ORS 86A.103(1), by engaging in residential mortgage transactions in Oregon without first obtaining a license as a mortgage broker under ORS 59.840 to 59.980, currently ORS 86A.095 to 86A.198.

4. The Goldberg Law Group and Goldberg may not rely upon the exclusion from the definition of mortgage broker contained in ORS 86A.100(5)(b) because Lee R. Goldberg is not an attorney licensed or authorized to practice law in Oregon.

5. The Goldberg Law Group and Goldberg performed "debt management service(s)" under ORS 697.602(2) by offering to assist J.F. in modifying the terms and conditions of his existing mortgage loans and by attempting to obtain, as an intermediary on J.F.'s behalf, a concession from a lender creditor including, but not limited to, a reduction in the principal, interest, penalties or fees associated with the debt with the expectation of profit or other valuable consideration.

6. The Goldberg Law Group and Goldberg acted as "debt management service provider" under ORS 697.602(3) by doing business with Oregon consumer J.F. in offering to assist and assisting J.F. in modifying the terms and conditions of his existing loan and by attempting to obtain, as an intermediary on J.F.'s behalf, a concession from a lender creditor including, but not limited to, a reduction in the principal, interest, penalties or fees associated with the debt with the expectation of profit or other valuable consideration.

7. The Goldberg Law Group and Goldberg violated ORS 697.612(1)(a) by performing a debt management service without first registering with the Director under ORS 697.632.

8. The Goldberg Law Group and Goldberg may not rely upon the exclusion from

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registration as a debt management service provider contained in ORS 697.612(3) because Goldberg is not an attorney licensed or authorized to practice law in Oregon.

9. The Goldberg Law Group and Goldberg violated ORS 697.692(1) by collecting and retaining an initial fee in excess of $50 from J.F.

ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

The Director, pursuant to ORS 86A.127 and ORS 697.825, hereby ORDERS the Goldberg Law Group and Goldberg to CEASE AND DESIST from violating the Oregon Mortgage Lender Law and the Oregon statutes regulating debt management service providers.

The Goldberg Law Group and Goldberg agree to refund $3,000 to consumer J.F. paid in monthly installments of $250 per month starting on June 20, 2013. Payments will be sent to the address listed in the April 12, 2013 message accompanying this order. Payments will be due on the 20th day of the month subsequently.

The Goldberg Law Group and Goldberg must provide quarterly statements to the Oregon Division of Finance and Corporate Securities each June 30, September 30, December 31, and March 31 evidencing timely payment to J.F. The quarterly reports must list the dates and amounts Respondents have paid to J.F. and include copies of the front of the checks payable to J.F. showing that Respondents are in compliance with the terms of this order. The signed notarized consent order, along with the first quarterly statement, must be received by the Division by the close of business on June 30, 2013.

The Director, pursuant to ORS 86A.992, formerly ORS 59.996, and ORS 697.832, may assess a CIVIL PENALTY of up to $5,000 for each violation of the Oregon Mortgage Lender Law and $5,000 for each violation of the Oregon statutes regulating debt management service providers.

Pursuant to these provisions, the Director hereby orders that the Goldberg Law Group and Goldberg pay a CIVIL PENALTY, jointly and severally, to the State of Oregon totaling

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$10,000. The CIVIL PENALTY is based upon: $5,000 for engaging in unlicensed mortgage broker activity under ORS 59.845(1), currently ORS 86A.103(1), for engaging in unregistered debt management service provider activities in violation of ORS 697.612(1) and $5,000 for collecting and retaining advance fees in excess of $100 in violation of ORS 697.692(1).

The entire civil penalty is suspended for a period of three years, so long as the Goldberg Law Group and Goldberg make a full timely restitution payment to J.F., as provided by the terms of this order, and so long as Goldberg Law Group and Goldberg do not violate any provision of the Oregon Mortgage Lender Law or the Oregon statutes regulating debt management services.

If the Goldberg Law Group and Goldberg make a full timely restitution payment to J.F., do not violate the Oregon Mortgage Lender Law, the Oregon statutes regulating debt management service providers, or the terms of this order, in three years from the date of the order, the suspended portion of the civil penalty is waived.

The entry of this Order in no way further limits remedies that may be available to the Director under Oregon law.

Dated this 30th day of April, 2013.

Patrick M. Allen, Director
Department of Consumer and Business Services

David C. Tatman, Administrator
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ENTITY CONSENT TO ENTRY OF ORDER

I, Lee Goldberg, state that I am an officer of the Goldberg Law Group, and I am authorized to act on its behalf. I have read the foregoing Order and that I know and fully understand contents hereof. This entity has been advised of the right to a hearing and of the right to be represented by counsel in this matter. The Goldberg Law Group

voluntarily, and without any force or duress, consents to the entry of this Order expressly waiving any right to a hearing in this matter. The Goldberg Law Group understands that the Director reserves the right to take further action to enforce this order and upon discover of other violations of the Oregon Mortgage Lender Law. The Goldberg Law Group will fully comply with the terms and conditions stated herein. The Goldberg Law Group further assures the Director that neither The Goldberg Law Group nor its officers, directors, employees or agents will engage in mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law and the Oregon laws regulating debt management service providers.

The Goldberg Law Group understands that this Consent Order is a public document.

Dated this 24th day of April 2013.

By _____

Owner

(Office held)

ENTITY ACKNOWLEDGMENT

There appeared before me this 24th day of April 2013 who was first duly sworn on oath, and stated that he was and is an officer of Respondent and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Respondent, and to bind Respondent to the terms hereof.

CAROL L. LECHIARA
Commission # 1937478
Notary Public - California
Orange County
My Comm. Expires May 21, 2015

Carol L. Lechiara

Notary Public for the State of: California

My commission expires: 5/21/2015

CONSENT TO ENTRY OF ORDER

I, Lee Goldberg, state that I have read the foregoing Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. I desire to resolve and settle this matter with the

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Director. I voluntarily, without any force or duress, consent to the entry of this Order, expressly waiving any right to a hearing in this matter. I understand that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law, or Oregon laws regulating debt management service providers, and I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Dated this 24th day of April, 2013.

Lee R. Goldberg

Notary Public for the State of: California

My commission expires: 5/21/2015

CAROL L. LECHIARA
Commission # 1937478
Notary Public - California
Orange County
My Comm. Expires May 21, 2015

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