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

In the Matter of:	Case No. DM-15-0065
SERJ BADRIK GEUTSSOYAN, and GREEN TREE FINANCIAL GROUP, Respondents.	FINAL ORDER TO CEASE AND DESIST, FINAL ORDER ASSESSING CIVIL PENALTY AND FINAL ORDER OF RESTITUTION ENTERED BY DEFAULT

On May 13, 2015, the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), acting in accordance with the Oregon statutes regulating debt management service providers, ORS 697.602 to 697.842, the Oregon Mortgage Lending Law, ORS 86A.100, *et seq*., the administrative rules promulgated thereunder, and ORS 183.415(3), duly served Serj Badrik Geutssoyan and Green Tree Financial Group with a true copy of Administrative Order S-15-0065, ORDER TO CEASE AND DESIST, PROPOSED ORDER ASSESSING CIVIL PENALTY, PROPOSED ORDER OF RESTITUTION AND NOTICE OF RIGHT TO AN ADMINISTRATIVE HEARING (the "Notice Order").

In accordance with OAR 137-003-0075, the Notice Order designated the Division's file, including all materials submitted by Serj Badrik Geutssoyan and Green Tree Financial Group, as the record for the purpose of making a prima facie case in the event that the Director entered a final order by default.

Neither Serj Badrik Geutssoyan nor Green Tree Financial Group filed a timely request a hearing.

Now, therefore, on consideration of the record, the Director issues the following Findings of Fact, Conclusions of Law and Final Orders.

//

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. At all times relevant to this matter, Respondent Serj Badrik Geutssoyan ("Geutssoyan") was a California resident engaged in business activities involving Oregon consumers and Oregon real property. Geutssoyan is the owner, director, officer, manager, employee and/or agent of Respondent Green Tree Financial Group ("Green Tree") and Green Tree is the fictitious name of Geutssoyan.

2. Respondent Green Tree is a purported business entity operating out of offices located in Costa Mesa and Cypress, California. The California Secretary of State's office has no record of a business registration in the name Green Tree Financial Group. Respondent Green Tree is not registered with the Oregon Secretary of State to do business in Oregon.

3. Respondents represented to at least one Oregon consumer that Green Tree was authorized to perform or furnish residential mortgage assistance and debt relief services to Oregon consumers. Respondent Geutssoyan, expressly or by implication, solicited at least one Oregon homeowner to assist or attempt to assist the homeowner in negotiating a modification of a residential real estate loan, including a reduction in the interest rate of the loan.

4. At all times material to this order, the individuals identified herein as "SS" and "RS" were Oregon residents and were parties to a home mortgage loan secured by real estate located in Oregon.

5. In March 2014, Respondents solicited SS and RS to provide mortgage assistance services. SS and RS were told that Respondents could arrange to have the interest rate on their home loan reduced from 8.25 percent to 3.125 percent. In June 2014, SS wrote Respondents a check for $3,550 in advance of any services rendered to Respondent Green Tree for "closing costs" on the loan modification. Respondents never

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

performed any loan modification services for SS or RS.

6. Respondent Geutssoyan has never held a license as a mortgage loan originator in Oregon.

7. At no time material to this matter did Respondent Green Tree ever hold a license from the Director to engage in residential mortgage transactions as a mortgage broker in Oregon. Respondent Green Tree has never been registered with the Director to provide debt management services in Oregon.

8. Respondents charged SS and RS an initial fee of more than $50.

9. At no time material to this matter did Respondents file a surety bond with the Director to engage in debt management services in Oregon.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

10. Respondent Geutssoyan acted as a "mortgage loan originator" under ORS 86A.200(4)(a) when Respondent Green Tree, for compensation, or in the expectation of compensation, either directly or indirectly made, negotiated, or offered to make or negotiate a modification to the terms and conditions of a mortgage loan.

11. Respondent Green Tree acted as a "mortgage broker" under ORS 86A.100(5)(a)(C) when Respondent Green Tree for compensation, or in the expectation of compensation, either directly or indirectly made, negotiated, or offered to make or negotiate a modification to the terms and conditions of a mortgage loan.

12. Respondents engaged in "residential mortgage transactions in this state" under ORS 86A.103(2) by acting as a mortgage broker when Respondent Green Tree offered to negotiate a modification to the terms and conditions of SS and RS's residential mortgage loan secured by property located in Oregon.

13. Respondents violated 86A.103(1) by engaging in residential mortgage transactions in Oregon without first obtaining a license as a mortgage broker under ORS

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

86A.095 to 86A.198, or a license as a loan originator under ORS 86A.200 to 86A.239.

14. Respondents received money or expected to receive money for providing debt management services by modifying or offering to modify the terms and conditions of an existing loan under ORS 697.602(2)(c), in violation of ORS 697.612(1)(a).

15. Respondents performed debt management services as defined by ORS 697.602(2)(d) when they received money from a consumer in return for obtaining or attempting to obtain as an intermediary on the consumer's behalf a concession from a creditor including, but not limited to, a reduction in the principal, interest, penalties or fees associated with a debt.

16. Respondents violated ORS 697.612(1) by engaging in the business of debt management service provider without being registered with the Director.

17. Respondents violated ORS 697.692(1)(a) by charging Oregon consumers SS and RS an initial fee of more than $50.

18. Respondents violated ORS 697.642(1) when they performed debt management services without first filing a bond issued by one or more corporate sureties authorized to do business in Oregon.

ORDERS

Now, therefore, the Director issues the following FINAL ORDERS:

Final Order to Cease and Desist

19. In accordance with ORS 86A.127(4) and 697.825(1)(a), the Director hereby ORDERS Respondents, and all entities owned or controlled by Respondent Serj Badrik Geutssoyan, to CEASE AND DESIST from violating any provision of the Oregon statutes regulating mortgage lending, ORS 86A.100 *et seq*., and debt management service providers, ORS 697.602 to 697.842.

//

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

Final Order Assessing Civil Penalty

20. Under ORS 86A.992(1), the Director may assess a CIVIL PENALTY in an amount not to exceed $5,000 per violation against any person who violates or who procures, aids or abets in the violation of any provision of ORS 86A.095 to 86A.198 or any rule or order issued under ORS 86A.124 or 86A.242.

21. Under ORS 697.832(1), the Director may assess a CIVIL PENALTY in an amount not to exceed $5,000 per violation against any person who violates ORS 697.612 or 697.642 to 697.702, rules adopted under ORS 697.632, or any order issued under ORS 697.825.

22. In accordance with ORS 86A.992(1) and 697.832(1), the Director ORDERS Respondents, jointly and severally, to pay a CIVIL PENALTY in the amount of $15,000 (fifteen thousand dollars) as follows:

A. A CIVIL PENALTY of $5,000 (five thousand dollars) for violating ORS 86A.103(1) by acting as a mortgage broker, and ORS 86A.203(1) by acting as a loan originator without holding a license from the Director or violating ORS 697.612(1)(a) by engaging in the business of performing debt management services without being registered with the Director;

B. A CIVIL PENALTY OF $5,000 (five thousand dollars) for violating ORS 697.692(1)(a) by charging Oregon consumers SS and RS an initial fee of more than $50; and

C. A CIVIL PENALTY of $5,000 (five thousand dollars) for performing debt management services without first filing a bond as required by ORS 697.642(1).

Final Order of Restitution

23. Under ORS 86A.224(2)(c), the Director may order a person that is subject to regulation under ORS 86A.200 to 86A.239 to pay RESTITUTION to a consumer that the Director finds suffered harm from the person's acts, practices or operations, or as a result

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

of the person's violation of a provision of ORS 86A.200 to 86A.239.

24. The Director hereby ORDERS Respondents, jointly and severally, to pay restitution to consumers SS and RS in the amount of $3,550 (three thousand five hundred fifty dollars).

AUTHORITY OF THE DIRECTOR TO SEEK OTHER REMEDIES UNDER OREGON LAW

25. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 5th day of June, 2015 at Salem, Oregon.

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

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

NOTICE OF RIGHT TO APPEAL

As authorized by ORS 697.825(2)(c), a person aggrieved by an Order of the Director of the Department of Consumer and Business Services which has been the subject of a timely application for a hearing before the Director shall be entitled to judicial review of the order under ORS chapter 183. Under ORS 697.825(2)(e), a person who does not timely file a request for a hearing on an order is not entitled to judicial review.

[The remainder of this page intentionally left blank.]

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