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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCEAL REGULATION**

6 In the Matter of:

DM-15-0046

7 Guardian Consumer Law PLLC, dba Guardian
8 Legal, PLLC; and Sentry Legal, PLLC dba
9 Sentry Law Firm,

**Final Order to Cease and Desist and Order
Assessing Civil Penalties Entered on Default**

Respondents.

10 On March 21, 2016, the Director of the Department of Consumer and Business Services
11 for the State of Oregon (hereinafter “the Director”), acting pursuant to the authority contained in
12 the Oregon Mortgage Lender Law, Oregon Revised Statutes (“ORS”) 86A.100 *et seq.*, and
13 Oregon Administrative Rules (“OAR”) 441-850-0005 through 441-885-0010 (hereinafter “the
14 Oregon Mortgage Lender Law”) and ORS 697.602 to 697.842 and OAR 441-910-0000 through
15 441-910-0120 (hereinafter “the Oregon Debt Management Service Provider law”), issued
16 Administrative Order No. DM-15-0046, (Order) Order to Cease and Desist, Proposed Order
17 Assessing Civil Penalties and Notice of Right to a Hearing for Guardian Consumer Law PLLC,
18 dba Guardian Legal, PLLC (Guardian); and Sentry Legal, PLLC dba Sentry Law Firm, (Sentry).

19 On March 22, 2016, a true copy of the Order was mailed by regular, first-class mail and
20 by certified mail postage prepaid addressed to Guardian at the following addresses:
21 Guardian Consumer Law PLLC, 7135 S Highland Drive, Cottonwood Heights UT 84121; Guardian
22 Consumer Law PLLC, 12465 S Fourth Street #240, PO Box 1832, Draper Utah 84020; Guardian
23 Consumer Law PC, 7135 S Highland Drive Suite 100, Cottonwood Heights UT 84121; Guardian
24 Consumer Law PC, 1954 E Fort Union Blvd Suite 101, Cottonwood Heights UT 84121.

25 On March 22, 2016, a true copy of the Order was mailed by regular, first-class mail and by
26 certified mail postage prepaid addressed to Sentry at Sentry Legal PLLC, 12339 S 800 E,

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



1 Draper UT 94020 and Sentry Legal PLLC, 1954 E Fort Union Blvd #101, Cottonwood Heights
2 UT 84121.

3 The certified mail was returned by the United States Post Office marked as, moved left
4 no forwarding address, moved left no address and insufficient address or addressee unknown.
5 The mail sent to Guardian Consumer Law PLLC, 12465 S Fourth Street #240, PO Box 1832,
6 Draper, Utah 84020 was marked as refused.

7 On March 22, 2016, pursuant to ORS 60.731(3), a copy of the Order was mailed
8 certified mail, return receipt requested and regular first class mail to the Oregon Secretary of
9 State at 255 Capitol Street NE, Salem, Oregon. The return receipt card was received from the
10 U. S. Postal Service marked as delivered on March 24, 2016.

11 All of the certified mailing return receipt cards were returned to the Division by April 8,
12 2016. The Division has not received any request for a hearing and the time to do so has now
13 passed.

14 FINDINGS OF FACTS

15 The Director finds that:

- 16 1. At all times material to this Order, Guardian Consumer Law PLLC dba Guardian Legal
17 (Guardian) reported a business address of 7135 South Highland Drive, Cottonwood Heights, UT
18 84121. Guardian had a secondary address of 1954 E. Fort Union Blvd., Suite 101, Cottonwood
19 Heights, Utah 84121.
- 20 2. Guardian was a foreign corporation that became incorporated in the State of Utah on
21 July 2, 2012, and was voluntarily dissolved on March 26, 2014.
- 22 3. Guardian has never been registered with Oregon Secretary of State to conduct business
23 in Oregon.
- 24 4. Guardian has never been licensed to act as a mortgage broker or banker and has not
25 sponsored any Oregon mortgage loan originator licenses.
- 26 5. Guardian has never been registered as a debt management service provider in Oregon.





1 6. At all times material to this Order, Sentry Legal, PLLC dba Sentry Law Firm (Sentry)
2 reported a principle address of 12339 S 800 E Draper Utah. Sentry had a secondary address of
3 1954 E. Fort Union Blvd., Suite 101, Cottonwood Heights, Utah 84121.

4 7. Sentry was a foreign corporation that became incorporated in the State of Utah on
5 September 2, 2011. Sentry's status became expired on January 14, 2013, for failure to renew.

6 8. Sentry has never been registered with Oregon Secretary of State to conduct business in
7 Oregon.

8 9. Sentry has never been licensed to act as a mortgage broker or banker and has not
9 sponsored any Oregon mortgage loan originator licenses.

10 10. Sentry has never been registered to provide debt management services in Oregon.

11 11. At all times material to this order, consumer DB was an Oregon resident and was party
12 to a home mortgage loan secured by real estate located in Oregon.

13 12. In the summer of 2012, DB received a mailer from Guardian promising to help lower
14 her monthly mortgage payments through a loan modification.

15 13. On or about August of 2012, DB responded to Guardian's mailer and sought Guardians'
16 assistance in obtaining a lower rate for the mortgage on her Oregon residence.

17 14. Guardian sent DB a packet of documents to complete for the loan modification. DB
18 completed and returned the packet of documents.

19 15. One of the documents that DB completed and returned to Guardian was an ACH
20 Authorization form that she completed, dated August 6, 2012.

21 16. DB made the following payments to Guardian via automatic deductions from her bank
22 account. The \$79.00 monthly fee was a file maintenance fee.

<u>DATE</u>	<u>AMOUNT</u>
09-27-12	\$699.00
09-26-12	\$ 79.00
10-16-12	\$699.00
10-28-12	\$ 79.00
11-16-12	\$699.00
11-28-12	\$ 79.00
12-16-12	\$699.00



1	12-26-12	\$ 79.00
2	01-03-13	\$699.00
3	01-24-13	\$ 79.00
4	02-25-13	\$ 79.00
5	03-25-13	\$ 79.00
6	04-27-13	\$ 79.00
7	05-23-13	\$ 79.00
8	06-26-13	\$ 79.00
9	07-25-13	\$ 79.00
10	08-26-13	\$ 79.00
11	09-27-13	\$ 79.00

12 TOTAL \$4,522.00

13 17. Numerous email exchanges occurred between DB and Guardian and Sentry. At some
14 point the emails were coming from Sentry instead of Guardian or were blended emails with
15 Guardian’s logo but Sentry’s email address. For example on January 22, 2013, J’Lynn Allred,
16 Processor, sent an email from Sentry Legal, PC, 1954 Fort Union Blv.[sic], Suite #101,
17 Cottonwood Heights, UT 84121 to DB. On February 6, 2013, DB received an email from
18 ashley@sentrylawfirm.com but with the Guardian logo and name. The listed physical address
19 on the email was Guardian Consumer Law, PC, 1954 E. Fort Union Blvd., Ste 101, Cottonwood
20 Heights, UT 84121. Ashley Halversen was listed as an “Updater/Documents.” DB also
21 received emails from Ashely Halversen with the email address of
22 ashley@guardianconsumerlaw.com.

23 18. Guardian and Sentry were inextricably woven together to the point that they were
24 operated as one and the same company.

25 19. In addition to the above named individuals, DB also received correspondence or phone
26 calls from at least 9 other individuals associated with Respondents.

27 20. DB made calls to Guardian regarding the status of her loan but the calls were not timely
28 returned and when someone did return her phone calls, DB was told that she needed to submit
29 documents that she had previously submitted.

30 //

31 //



1 21. Although DB made repeated requests to Respondents to stop deducting the \$79 monthly
2 fee from her bank account, the deductions continued. In order to stop the automatic deductions,
3 DB had to close her bank account.

4 22. DB was contacted by her lender stating that they needed additional paperwork. The
5 requested paperwork consisted of documents that DB had previously submitted to Respondents,
6 but Respondents had not sent the documents to the lender as promised.

7 23. DB did not receive a loan modification or refund from Respondents.

8 24. On October 28, 2013, the State of Connecticut Department of Banking issued a Cease
9 and Desist Order against Sentry Legal, PLLC a/k/a Sentry Law Firm for engaging in unlicensed
10 debt management activity in regard to a loan mitigation matter. Sentry did not respond and
11 \$100,000 in civil penalties was assessed against Sentry.

12 25. On March 19, 2104, the State of New Mexico Office of the Attorney General issued an
13 order against John J. “Jack” Brannelly, Jr.; Jefferson Consumer Law; Sentry Legal PLLC
14 D/B/A Sentry Legal ; and Guardian Consumer Law (Brannelly, et. al.) The allegations were that
15 Brannelly, et. al., engaged in loan modification activities involving at least 19 New Mexico
16 residents while unlicensed. The order further stated that Brannelly, et. al. did not provide
17 mortgage relief services or refunds to the New Mexico Consumers.

18 26. On January 17, 2015, John J. “Jack” Brannelly, Jr., on behalf of Brannelly, et. al.,
19 entered in to an Assurance of Discontinuance (AOD) agreement with the State of New Mexico
20 to pay restitution to all consumers and to pay attorney fees. The State of New Mexico
21 suspended the total possible civil penalty of \$499,000 so long as Brannelly complied with the
22 terms of the AOD.

23 CONCLUSIONS OF LAW

24 The Director concludes that:

25 1. Respondents acted as a “mortgage broker” under ORS 86A.100(5)(a)(C) when for
26 compensation, or in the expectation of compensation, either directly or indirectly made,

1 negotiated, or offered to make or negotiate a modification to the terms and conditions of a
2 mortgage loan for DB.

3 2. Respondents violated ORS 86A.103(1) by engaging in residential mortgage transactions
4 in Oregon without first obtaining a license as a mortgage broker under ORS 86A.095 to
5 86A.198.

6 3. Respondents engaged in “residential mortgage transactions in this state” under ORS
7 86A.103(2) by acting as a mortgage broker when they offered to negotiate a modification to the
8 terms and conditions of DB’s residential mortgage loan secured by property located in Oregon.

9 4. Respondents engaged in debt management services when they received money from DB
10 for modifying or offering to modify the terms and conditions of an existing Oregon loan under
11 ORS 697.602(2)(c).

12 5. Respondents violated ORS 697.612(1)(a) by performing a debt management service in
13 Oregon for consumer DB without being registered with the Director to provide such a service.

14 6. Respondents violated ORS 697.612(1)(b)(E) by providing advice, assistance, instruction or
15 instruction material regarding a debt management service to Oregon consumer DB when
16 Respondents were not registered as Oregon debt management service providers.

17 7. Respondents violated ORS 697.692(1)(a) by accepting or receiving an initial fee of more
18 than \$50 from DB.

19 ORDERS

20 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

21 1. Pursuant to ORS 86A.127(4) and 697.825(1)(a), the Director hereby orders
22 Respondents and all entities owned or controlled by Respondents to cease and desist from
23 violating the Oregon statutes regulating mortgage lending, ORS 86A.100 et seq., and debt
24 management service providers, ORS 697.602 to 697.842.

25 2. Pursuant to ORS 86A.992, the Director may assess a civil penalty in the amount of not
26 more than \$5,000 per violation against any person who violates or who procures, aids or abets in



1 the violation of any provision of ORS 86A.095 to 86A.198 or any rule or order issued under
2 ORS 86A.124 or 86A.242. Pursuant to the authority of ORS 697.832, the Director may assess a
3 civil penalty in an amount of not more than \$5,000 per violation against any person who violates
4 ORS 697.612 or 697.642 to 697.702, rules adopted under ORS 697.632, or any order issued
5 under ORS 697.825.

6 3. The Director orders Respondents to pay civil penalties in the amount of \$10,000 as
7 follows:

8 a. \$5,000 for committing one violation of ORS 86A.103(1), ORS 697.612(1)(b)(E),
9 or ORS 697.612(1)(a);

10 b. \$5,000 for committing one violation of ORS 697.692(1)(a).

11 4. The Director designates the Division's file on this matter, which includes all materials
12 submitted by the party, as the record in this case. Pursuant to OAR 137-003-0075(3), that
13 record contains sufficient evidence of the existence of facts necessary to support a final order by
14 default should the director issues such an order.

15 Dated this 20th day of May, 2016.

16
17 PATRICK M. ALLEN, Director
18 Department of Consumer and Business Services

19 /s/David Tatman
20 David C. Tatman, Chief Enforcement Officer
21 Division of Financial Regulation

22 NOTICE: You may be entitled to judicial review of this Order. Judicial review may be obtained
23 by filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the service
24 of this Order. Judicial review is pursuant to the provisions of ORS 183.482 to the Oregon Court
25 of Appeals.
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