

IN THE MATTER OF:

DONALD P. MAZOR, ESQUIRE d/b/a THE
LAW OFFICES OF DONALD P. MAZOR,
ESQUIRE,

Respondents.

BEFORE THE MARYLAND
COMMISSIONER OF
FINANCIAL REGULATION

Case No.: CFR-FY2011-220

SETTLEMENT AGREEMENT AND CONSENT ORDER

This Settlement Agreement and Consent Order ("Agreement") is entered into this 12th day of March, 2012, by and between the Maryland Deputy Commissioner of Financial Regulation (the "Deputy Commissioner"), and Donald P. Mazor, Esquire d/b/a The Law Offices of Donald P. Mazor, Esquire (the "Respondent" or "Mazor"). The Deputy Commissioner and Respondent (the "Parties") consent to the entry of this Agreement as a final resolution of this matter. All paragraphs below are intended to be part of the contractual obligations of the Parties hereto, so far as they may be so construed, and are not mere recitals to this Agreement.

1. Pursuant to the Annotated Code of Maryland Commercial Law Article ("CL"), Title 14, Subtitle 19, (the Maryland Credit Services Businesses Act, hereinafter "MCSBA"), Financial Institutions Article ("FI"), Title 11, Subtitles 2 and 3, and Real Property Article ("RP"), Title 7, Subtitle 3 (Protection of Homeowners in Foreclosure Act, hereinafter "PHIFA"), the Maryland Commissioner of Financial Regulation (the "Commissioner") is responsible for licensing and regulating, *inter alia*, all residential mortgage loan modification services (a/k/a loss mitigation, foreclosure consulting, and similar services) provided to

consumer loans secured by residential real property located in the State of Maryland (the "State").

2. The Commissioner issued a Summary Order to Cease and Desist on August 2, 2011 (the "Summary Order") alleging, in part, that Respondent violated the MCSBA and PHIFA by providing unlicensed residential loan modification services. This determination was based, in part, on the following facts:

a. That Respondent is an attorney admitted to practice law in Maryland, who engages in business activities involving Maryland consumers. In addition, The Law Offices of Donald P. Mazor, Esquire, is an unregistered business entity in the State of Maryland and the alter ego/fictitious name of Mazor;

b. That, in November 2010, [REDACTED] collectively, "Consumer A") entered into a loan modification agreement with Respondent and his business partners as described in the Summary Order. Consumer A paid approximately \$1,550 in up-front fees to Respondent and his business partners in exchange for which they represented that they would be able to obtain a loan modification for Consumer A. Although Respondent and his business partners collected \$1,550 in up-front fees, Respondent nor his business partners ever obtained a loan modification for Consumer A;

c. That, in October 2010, [REDACTED] and [REDACTED] (collectively, "Consumer B") entered into a loan modification agreement with Respondent and his business partners as described in the Summary Order. Consumer B paid approximately \$2,300 in up-front fees to Respondent and his business partners in exchange for which they

represented that they would be able to obtain a loan modification for Consumer B. Although Respondent and his business partners collected \$2,300 in up-front fees, Respondent nor his business partners ever obtained a loan modification for Consumer B; and

d. That there were twenty-five (25) Maryland consumers for which Respondent and his business partners provided loan modification services and for which those consumers paid up-front fees for such services. Further, seventeen (17) of those Maryland consumers were in default on their Maryland residential mortgage loan when they entered into a loan modification agreement with Respondent and his business partners.

3. Respondent admits to the facts stated herein, however, he does not admit that the facts as stated above and in the Summary Order give rise to the alleged violations set forth in the Summary Order. Nonetheless, Respondent wishes to resolve the alleged violations without the need for further administrative proceedings or other legal proceedings, and to avoid the costs associated with such proceedings and any potential appeals, and therefore agrees to resolve this matter fully, finally, and completely without further administrative charges being filed or administrative proceedings commenced, or an administrative hearing or injunction, and further accepts without condition, and fully agree to abide by, each and every term set forth in this Agreement.

4. The Deputy Commissioner desires to ensure that Respondent will comply with all applicable statutes, regulations, and others laws governing Maryland mortgage lending, brokering, origination, modification, and mitigation, and further wishes to avoid the costs to the taxpayers of an administrative hearing and/or injunction and any potential appeals.

5. Respondent has agreed to take each and every one of the following actions in

exchange for a final resolution of all allegations made herein:

a. Immediately upon execution and delivery of this Agreement, Respondent will make a refund to the following Maryland consumers in the amount specified:

<u>Homeowner Name</u>	<u>Amount of refund</u>
1) [REDACTED]	\$1,550.00
2) [REDACTED] and [REDACTED]	\$1,650.00
3) [REDACTED]	\$1,550.00
4) [REDACTED]	\$1,550.00
5) [REDACTED]	\$1,550.00
6) [REDACTED] and [REDACTED]	\$1,550.00
7) [REDACTED] and [REDACTED]	\$1,850.00
8) [REDACTED]	\$1,550.00
9) [REDACTED]	\$1,550.00
10) [REDACTED]	\$1,550.00
11) [REDACTED]	\$1,550.00
12) [REDACTED] and [REDACTED]	\$1,550.00
13) [REDACTED]	\$1,495.00
14) [REDACTED]	\$1,550.00
15) [REDACTED]	\$1,550.00
16) [REDACTED] and [REDACTED]	\$1,550.00

17) [REDACTED] [REDACTED]	\$1,550.00
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Total	\$26,695.00

Once the above-listed consumers are paid, and within a reasonable time after checks may be expected to clear, but no more than 60 days after full execution and delivery of this Agreement, the Respondent will provide the Deputy Commissioner with proof of payment of the above-listed refunds;

b. Respondent will remain liable for any refund due and owing to any Maryland consumer for whom Respondent contracted with to provide loan modification services and for which loan modification services did not result in a permanent loan modification/loss mitigation agreement for that Maryland consumer. Payment made on each and every refund contemplated under this Settlement Agreement will be made by check, made payable to the Maryland consumer(s) at their last known address, or such updated address as can be identified through customary address verification means. If a Maryland consumer fails to cash a check then those funds will be transferred to the custody of the State Comptroller as “abandoned property” pursuant to Annotated Code of Maryland, Commercial Law Article, Title 17, and shall be administered for the benefit of the Maryland consumer(s) accordingly, however, each check will either be negotiated by the respective Maryland consumer or transferred to the State Comptroller as “abandoned property” within one (1) year from the date of execution of this Agreement;

c. Respondent will cease providing any and all residential loan modification services unless and until in full compliance with the MCSBA, with FI, Title 11, Subtitles 2 and 3, and with PHIFA; and

d. Respondent agrees to fully cooperate with the Office of the Commissioner in any other related investigation involving business entities or individuals not a party to this Agreement.

6. Respondent acknowledges that he has voluntarily entered into this Agreement with full knowledge of his rights to a hearing, arising from any charges brought by the Commissioner based on the alleged violations, pursuant to the MCSBA, FI, Title 11, Subtitles 2 and 3, PHIFA, and the Maryland Administrative Procedures Act (MD. CODE ANN., STATE GOV'T. § 10-201 *et seq.*), and that Respondent hereby waives his right to a hearing. Respondent further acknowledges that he has had an opportunity to consult with independent legal counsel in connection with the waiver of rights and with the negotiation and execution of this Agreement, and that Respondent has either consulted with independent legal counsel or has knowingly and voluntarily elected not to consult with counsel.

7. Respondent represent that he is currently in compliance with all applicable statutes, regulations, and others laws governing Maryland mortgage lending, brokering, origination, modification, and mitigation, and that Respondent will continue to act in compliance at all future times.

8. The Parties hereto agree that this Agreement shall be binding and enforceable in court by the Deputy Commissioner, the Commissioner, and by Respondent, shall be

admissible in court, and shall be binding upon and inure to any of Respondent's present and future owners, members, officers, employees, successors, and assigns.

9. The Parties hereto agree that any notices hereunder shall be effectively "delivered" when sent via overnight delivery or certified mail as follows:

a. To the Commissioner:

Commissioner of Financial Regulation
500 North Calvert Street, Suite 402
Baltimore, Maryland 21202-3651
ATTN: Anne Balcer Norton, Deputy Commissioner

With copy to:
Jedd Bellman, Esquire
Assistant Attorney General
500 North Calvert Street, Suite 406
Baltimore, Maryland 21202-3651

b. To Respondent:

Andre R. Weitzman, Esquire
14 West Franklin Street
Baltimore, Maryland 21201

NOW, THEREFORE, it is, by the Maryland Deputy Commissioner of Financial Regulation, hereby

ORDERED that Respondent shall adhere to all terms of this Settlement Agreement and Consent Order; and it is

ORDERED that Respondent shall operate his business activities in full compliance with all statutes, regulations, and other laws governing mortgage lending, brokering, origination, modification, and mitigation in the State of Maryland, and shall continue to act in full compliance at all future times; and it is further

ORDERED that, in the event Respondent, or any of his officers, managers, members, employees, or agents, violate any provision of this Settlement Agreement and Consent Order, or otherwise engage in the activities which formed the basis for the allegations set forth above, the Commissioner may, at the Commissioner's discretion, take any enforcement actions available under FI § 2-115(b), and under CL §§ 14-1902, 14-1907, 14-1911(f), and 14-1912, as well as take any other enforcement actions as permitted by, and in accordance with, applicable State law; and that such enforcement actions could include an order to cease and desist, civil money penalties of up to \$1,000 for each violation and up to \$5,000 for each subsequent violation, an order to provide restitution of money or property to any aggrieved persons, an action for relief in Maryland Circuit Court, and/or referral for possible criminal prosecution; and it is further

ORDERED that this matter shall be resolved in accordance with the terms of this Settlement Agreement and Consent Order and the same shall be reflected among the records of the Office of the Commissioner of Financial Regulation; and it is further

ORDERED that this document shall constitute a Final Order of the Maryland Commissioner of Financial Regulation and, although the Respondents do not admit to the alleged violations set forth above, nevertheless, the Commissioner may consider this Settlement Agreement and Consent Order and the facts set forth herein in connection with, and in deciding, any action or proceeding before the Commissioner; and that this Settlement Agreement and Consent Order may, if relevant, be admitted into evidence in any matter before the Commissioner.

It is so **ORDERED**.

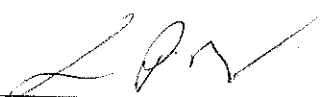
IN WITNESS WHEREOF, this Settlement Agreement and Consent Order is
executed on the day and year first above written.

MARYLAND COMMISSIONER
OF FINANCIAL REGULATION

DONALD P. MAZOR, ESQUIRE
d/b/a THE LAW OFFICES OF
DONALD P. MAZOR, ESQUIRE



By: Anne Balcer Norton
Deputy Commissioner



By: Donald P. Mazor, Esquire
Individually