

**BEFORE THE DIRECTOR OF THE CONSUMER PROTECTION UNIT  
OF THE DELAWARE DEPARTMENT OF JUSTICE**

In re: )  
)  
ROOSEVELT LAW CENTER, P.C., ) CPU Case No. 15-11-10  
a California professional corporation; )  
MIRACLES FOR HOMEOWNERS )  
MARKETING, INC., a California )  
corporation; THOMAS . MOORE, ESQ., )  
an individual; and BENJAMIN BORAZGHI )  
(a/k/a/ Benjamin Borazzi), an individual, )  
)  
Respondents. )

**CEASE AND DESIST AGREEMENT**

Pursuant to 29 *Del. C.* § 2525(a), this Cease and Desist Agreement (“Agreement”) is entered into by and among the Director of the Consumer Protection Unit of the Delaware Department of Justice (the “Director”) and the entities and individuals listed above, along with their affiliated business enterprises, trade names, trademarks, or business names under which they may operate or by which they may be known, and all of their agents, employees, and successors (collectively, “Respondents”). In return for the agreement of Respondents to the issuance of this Agreement, the Director agrees not to institute or maintain any legal action against Respondents with respect to the specific violations alleged below unless and until the terms and conditions of this Agreement have been breached or violated.

**BACKGROUND AND FACTUAL ALLEGATIONS**

After conducting an investigation involving the solicitation of residential mortgage loan modification services by Respondents, the Director makes the following allegations:

1. Roosevelt Law Group, P.C. (“Roosevelt”) is a California professional corporation having a principal place of business located at 3186 Vista Way, Suite 300, Oceanside CA 92056.

2. Miracles for Homeowners Marketing, Inc. (“Miracles”) is a California corporation having a principal place of business located at 360 East 1st Street, Suite 972, Tustin, CA 92780.

3. Thomas A. Moore, Esq. (“Moore”) is a California resident whose address is 600 Marazon Lane, Vista, CA 92081. Moore is licensed to practice law in the State of California.

4. Benjamin Borazghi (“Borazghi”), a/k/a/ Benjamin Borazzi, is a California resident whose address is 28672 Mira Vista, Laguna Niguel, CA 92677.

5. At all times relevant hereto, Moore served as the principal and lead attorney of Roosevelt, and ratified, approved, consented to, or authorized all business decisions and actions of same.

6. At all times relevant hereto, Borazghi served as the principal and manager of Miracles, and ratified, approved, consented to, or authorized all business decisions and actions of same.

7. From no later than March 2014 through at least December 2015, Respondents and their affiliates engaged in unlawful acts and practices directed toward residents of the State of Delaware. Respondents, working in concert and using a variety of business names (including but not limited to “Homeowner Protection Alliance” and “Household Relief Alliance”), operated a foreclosure rescue scheme by which they misled Delaware consumers to believe that they would receive certain residential mortgage loan modification services in exchange for large upfront payments.

8. Respondents typically contacted Delaware consumers through direct mailers to their residences. These mailers contained unfounded and deceptive solicitations, including misleading statements about the potential for drastic reductions of the homeowners’ principal and interest rates, wrongful use of the term “Keep Your Home Delaware” to suggest affiliation with a

*bona fide* government program, false claims about what the consumers' new mortgage payments would be, and confusing citations to federal mortgage loan assistance programs.

9. Respondents targeted over 1,000 Delaware consumers by means of the direct mailers referenced above.

10. Respondents also solicited Delaware consumers through a variety of websites, including but not limited to Roosevelt's website, [www.rooseveltlawcenterpc.com](http://www.rooseveltlawcenterpc.com).

11. In follow up correspondence with Delaware consumers who responded to their solicitations, Respondents continued to guarantee their services, provide inaccurate and misleading information about state and federal programs, and misrepresent that the consumers were eligible for loan modifications with their mortgage lenders.

12. Respondents sent at least one Delaware consumer a document entitled "Hardship Eligibility Starter Package – 2014 Edition" containing logos for various federal mortgage loan assistance programs. Respondents were not affiliated with these programs and were not authorized to use these logos.

13. Most or all Delaware consumers who responded to Respondents' solicitations were asked to enter into contracts with Roosevelt purporting to serve as legal retainer agreements. However, these consumers were never represented by counsel licensed to practice law in Delaware. Rather, after a consumer would enter into a retainer agreement, a third party "attorney network" affiliated with Respondents would arrange for a Delaware attorney to perform a perfunctory review of the homeowner's file, without ever forming an attorney-client relationship with the consumer. The Delaware attorney never had any communication with the Delaware consumers, never directly received any compensation from these consumers, and never drafted any documents or appeared before any court on these consumers' behalf.

14. Respondents' association with Delaware counsel was fraudulent, and undertaken by Respondents solely for the purpose of invoking the exemption to Delaware's Mortgage Loan Modification Services Act contained in 6 *Del. C.* § 2403C(1).

15. The retainer agreements served as a device by which Respondents could extract thousands of dollars in unlawful advanced fee payments from Delaware consumers regardless of whether or not a loan modification was ever applied for or obtained.

16. Specifically, the retainer agreements called on consumers to make payments to Roosevelt upon completion of certain "milestones." In violation of the prohibition on advance fees contained in 6 *Del. C.* § 2408C(3), all amounts paid to Roosevelt under each retainer agreement were to be remitted well before any loan modification offer was made by the consumers' mortgage lender. Moreover, the retainer agreements provided that all amounts paid to Roosevelt were to be nonrefundable. The retainer agreements also contained provisions allowing the assignment of the consumers' files to third parties, exclusivity clauses preventing others from negotiating with the consumers' mortgage lenders for relief (including, presumably, the consumers themselves), and strict arbitration and liability limitation clauses.

17. Ultimately, the retainer agreements enabled Respondents to obtain thousands of dollars from struggling Delaware consumers for services the consumers could have performed themselves or with the assistance of a HUD-approved housing counselor at no cost.

18. In fact, rather than serving as an intermediary between the consumers and their mortgage lenders, Roosevelt rendered no services or simply prepared pro forma applications that the consumers could have obtained and completed on their own without charge.

19. After causing Delaware consumers to enter into the aforementioned retainer agreements and accepting unlawful advanced fee payments from them (and, in some cases,

submitting the *pro forma* applications referenced above), Roosevelt broke off contact with them, leaving them to conduct further steps in the loan modification process without further assistance from Respondents.

20. Roosevelt caused further harm by sending Delaware consumers' mortgage lenders forms or letters instructing them to direct all future correspondence regarding the consumers' mortgage loans to it, rather than to the consumers—thereby frustrating the consumers' abilities to monitor their distressed mortgages and obtain information about loss mitigation opportunities from their mortgage lenders.

21. Respondents' unlawful and deceptive actions caused monetary loss and other detriment to at least five Delaware consumers who entered into contracts for mortgage loan modification services: (1) Cheryl DiNenna; (2) Bernard and Allison Jessup; (3) Franklin and Sheila Moe; (4) Alexander and Linda Porte; and (5) Kelly and Pamela Taylor.

22. Respondents misled these Delaware consumers about the mortgage loan modification services they would provide, and failed to meaningfully assist them in securing mortgage loan modifications or other relief from their mortgage lenders. As a result of Respondents' actions, these Delaware consumers lost funds that could have been used to pay their mortgage lenders or otherwise provide for their families during times of great financial hardship. Moreover, due to Respondents' misconduct, these Delaware consumers lost critical time and missed out on loss mitigation options, including the no-cost Delaware Residential Mortgage Foreclosure Mediation Program, which could have been used to address their mortgage delinquencies.

## **ALLEGED VIOLATIONS OF DELAWARE LAW**

The Director alleges that Respondents committed violations of the Delaware Mortgage Loan Modification Services Act (“MLMSA”), 6 *Del. C.* § 2400C *et seq.*, the Delaware Consumer Fraud Act (“CFA”), 6 *Del. C.* § 2511 *et seq.*, and the Delaware Uniform Deceptive Trade Practices Act (“DTPA”), 6 *Del. C.* § 2531 *et seq.*, as follows:

### ***Alleged Violations of the Delaware Mortgage Loan Modification Services Act***

23. The MLMSA requires a mortgage loan modification services provider to register and file a surety bond with the Delaware Attorney General. *See* 6 *Del. C.* § 2404C.

24. The MLMSA requires all contracts for mortgage loan modification services to: (a) contain a place for the homeowner to initial each page of the agreement; (b) fully disclose the exact nature of the modification services to be provided and the total amount and terms of compensation to be received by the mortgage loan modification services provider; and (c) include a provision that allows the consumer to cancel at any time without penalty, along with a separate page designated “NOTICE OF CANCELLATION” enabling the consumer to cancel the contractual relationship. *See* § 2406C.

25. The MLMSA requires all contracts for mortgage loan modification services to include disclosures notifying the consumer that: (a) the provider is not associated with any government, and its services are not approved by any government or by the homeowner’s mortgage lender; (b) the consumer’s mortgage lender may not agree to change the terms of the consumer’s mortgage loan even if the consumer chooses to use the provider’s services; and (c) the consumer may stop doing business with the provider at any time, may choose to accept or reject any offer of mortgage loan modification from the consumer’s mortgage lender; and upon rejection of any such offer, is not required to pay the provider. *See* § 2407C.

26. The MLMSA prohibits a mortgage loan modification services provider from: (1) misrepresenting to a Delaware consumer that the provider is associated with, among others, any federal, state, or local government or any governmental homeowner assistance plan; (2) representing that a Delaware consumer cannot or should not contact or communicate with his or her mortgage lender or servicer; and (3) requesting or receiving payments from a Delaware consumer before obtaining an offer of mortgage loan modification from the consumer's mortgage lender or servicer. *See* § 2408C.

27. Respondents are not eligible to claim any exemption to the MLMSA, including but not limited to the “practice of law” exemption contained in § 2403C.

28. Respondents violated § 2404C between March 2014 and December 2015 by undertaking to provide mortgage loan modification services to Delaware consumers without registering with the Delaware Attorney General and paying the required surety bond, or by offering to or arranging for others to undertake to provide such services.

29. Respondents violated § 2406C between March 2014 and December 2015 by entering into contracts to provide mortgage loan modification services to Delaware consumers—i.e. the above-referenced retainer agreements—that did not contain a place for the consumer to initial each page of the agreement, fully disclose the exact nature of the modification services to be provided and the total amount and terms of compensation to be received by Respondents, or include a provision allowing the consumer to cancel at any time without penalty or the aforementioned “NOTICE OF CANCELLATION” page, or by arranging for others to enter into such contracts.

30. Respondents violated § 2407C between March 2014 and December 2015 by entering into contracts to provide mortgage loan modification services to Delaware consumers—

i.e. the above-referenced retainer agreements—that did not include any of the mandatory disclosures listed above, or by arranging for others to enter into such contracts.

31. Respondents violated § 2408C between March 2014 and December 2015 by (1) distributing mailers to Delaware consumers that made use of a deceptive “Keep Your Home Delaware” logo and misleading citations to federal mortgage loan assistance programs to misrepresent that Respondents were associated with federal, state, or local governments and/or governmental homeowner assistance plans (or create likelihood of confusion among Delaware consumers regarding such association), and sending at least one Delaware consumer a document containing government program logos Respondents were not authorized to use; (2) advising Delaware consumers not to communicate with their mortgage lenders or servicers; and (3) requesting and receiving payments from Delaware consumers without first obtaining mortgage loan modifications from their mortgage lenders or servicers.

***Alleged Violations of the Delaware Consumer Fraud Act***

32. The CFA renders unlawful the act, use, or employment by any individual or entity of any deception, fraud, false pretense, false promise, misrepresentation, and the concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale, lease or advertisement of any merchandise, including but not limited to services. *See 6 Del. C. § 2513(a).*

33. Respondents violated § 2513(a) between March 2014 and December 2015 by:

- a. Misrepresenting the nature, necessity, and quality of their services to Delaware consumers, and omitting material information regarding these services with intent to induce reliance on the part of these consumers;



- b. Misrepresenting that Delaware consumers would qualify for loan modifications from their mortgage lenders, and that Respondents had the ability to achieve such modifications;
- c. Misrepresenting their association with government programs through the use of misleading logos and citations; and
- d. Making other misrepresentations and omissions with the intent to induce reliance on the part of Delaware consumers.

***Alleged Violations of the Delaware Uniform Deceptive Trade Practices Act***

34. The DTPA provides that a person engages in a deceptive trade practice when, in the course of a business, vocation, or occupation, that person causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services. *See 6 Del. C. § 2532(a)(2).*

35. The DTPA provides that a person engages in a deceptive trade practice when, in the course of a business, vocation, or occupation, that person causes likelihood of confusion or of misunderstanding as to affiliation, connection, association with, or certification by, another. *See § 2532(a)(3).*

36. The DTPA provides that a person engages in a deceptive trade practice when, in the course of a business, vocation, or occupation, that person represents that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have. *See § 2532(a)(5).*

37. The DTPA provides that a person engages in a deceptive trade practice when, in the course of a business, vocation, or occupation, that person advertises goods or services with intent not to sell them as advertised. *See* § 2532(a)(9).

38. The DTPA provides that a person engages in a deceptive trade practice when, in the course of a business, vocation, or occupation, that person engages in any other conduct which similarly creates a likelihood of confusion or of misunderstanding. *See* § 2532(a)(12).

39. In the course of a business, vocation, or occupation, Respondents violated § 2532(a)(2) between March 2014 and December 2015 by, through the use of misleading logos and citations, causing a likelihood of confusion or of misunderstanding among Delaware consumers as to the sponsorship, approval, or certification of their services by federal, state, and local government entities or programs.

40. In the course of a business, vocation, or occupation, Respondents violated § 2532(a)(3) between March 2014 and December 2015 by, through the use of misleading logos and citations, causing a likelihood of confusion or of misunderstanding among Delaware consumers as to their affiliation, connection, association with, or certification by federal, state, and local government entities or programs.

41. In the course of a business, vocation, or occupation, Respondents violated § 2532(a)(5) between March 2014 and December 2015 by representing to Delaware consumers that their mortgage loan modification services had sponsorship, approval, characteristics, uses, benefits, or quantities that they did not have.

42. In the course of a business, vocation, or occupation, Respondents violated § 2532(a)(9) between March 2014 and December 2015 by advertising mortgage loan modification services to Delaware consumers with intent not to sell or provide them as advertised.

43. In the course of a business, vocation, or occupation, Respondents violated § 2532(a)(12) between March 2014 and December 2015 by engaging in other conduct that created a likelihood of confusion or of misunderstanding among Delaware consumers.

**RESPONDENTS' RESPONSE**

44. Respondents dispute the above allegations.

45. Respondents maintain that they are exempt from the above-referenced provisions of the MLMSA based on the “practice of law” exemption set forth in § 2403C.

46. Respondents specifically deny the allegations regarding violations of the MLMSA, the CFA, and the DTPA.

**CEASE & DESIST TERMS**

WHEREAS, Respondents and the Director wish to resolve the matters alleged and disputed herein:

***General Prohibitions***

47. Respondents agree to and are hereby ordered to cease and desist from:

- a. Violating any provision of the MLMSA;
- b. Violating any provision of the CFA; and
- c. Violating any provision of the DTPA.

48. Respondents expressly acknowledge that any subsequent violations of the aforementioned laws by them in relation to mortgage loan modification services or other debt relief services shall be deemed willful.

49. Respondents agree to comply with the MLMSA, the CFA, the DTPA, and all other applicable Delaware laws relating to the advertisement or sale of goods and services to consumers (including but not limited to the Consumer Contracts Act, 6 *Del. C.* § 2731 *et seq.*) following execution of this Agreement.

### *Specific Requirements*

50. The parties to this Agreement expressly agree that the following conduct by Respondents is prohibited upon execution of this Agreement:

- a. Advertising, marketing, promoting, offering for sale, or selling, directly or indirectly, any mortgage loan modification services, as this term is defined in 6 *Del. C.* § 2402C(4), or other debt relief services, in the State of Delaware;
- b. Assisting others engaged in marketing, promoting, offering for sale, or selling any mortgage loan modification services, as this term is defined in 6 *Del. C.* § 2402C(4), or other debt relief services, in the State of Delaware; and
- c. Advertising, marketing, promoting, offering for sale, or selling, directly or indirectly, any legal services related to mortgage loan modifications, mortgage foreclosure relief, or other debt relief in the State of Delaware.

51. Respondents agree to include a permanent and conspicuous disclaimer on all Internet websites on which they advertise their mortgage loan modification services, including both websites maintained and/or operated by their employees, agents, or affiliates and websites maintained and/or operated by third parties, stating that “[Affiliated Company Name] does not provide its services in the State of Delaware.”

### **OTHER MATERIAL TERMS**

52. Respondents agree to pay \$70,000.00 in civil penalties in connection with the alleged violations of the MLMSA, the CFA, and the DTPA set forth above. Of the above sum, \$55,000 shall be suspended, and shall become payable immediately upon a material violation by Respondents of this Agreement.

53. The remaining \$15,000 in civil penalties shall be paid in equal installments of \$1,250 per month in certified funds, and shall be delivered to the Director or the undersigned Deputy Attorney General on or before the fifteenth (15th) day of each consecutive month, commencing on August 15, 2019. All payments shall be made payable to the State of Delaware, Consumer Protection Fund. There shall be a total of twelve (12) equal installments of \$1,250 to fully satisfy the unsuspended civil penalties under this Agreement. Any payment not received within ten (10) days of the monthly due date shall constitute a default, and shall cause all unsuspended amounts due hereunder to be accelerated and become immediately due and payable. There shall be no penalty for pre-payment of the above amount. The funds referenced in this paragraph shall be deposited into the Consumer Protection Fund pursuant to 6 *Del. C.* § 2527, and may be used for any purpose authorized by that statute.

54. Respondents agree to pay restitution in the amount of \$3,585.00 to Cheryl DiNenna. This sum is due in full and shall be delivered to the Director or the undersigned Deputy Attorney General, via certified check made payable to the State of Delaware, no later than July 31, 2019.

55. Respondents agree to pay restitution in the amount of \$10,300.00 to Bernard and Allison Jessup. This sum is due in full and shall be delivered to the Director or the undersigned Deputy Attorney General, via certified check made payable to the State of Delaware, no later than July 31, 2019.

56. Respondents agree to pay restitution in the amount of \$1,990.00 to Franklin and Sheila Moe. This sum is due in full and shall be delivered to the Director or the undersigned Deputy Attorney General, via certified check made payable to the State of Delaware, no later than July 31, 2019.

57. Respondents agree to pay restitution in the amount of \$3,450.00 to Alexander and Linda Porte. This sum is due in full and shall be delivered to the Director or the undersigned Deputy Attorney General, via certified check made payable to the State of Delaware, no later than July 31, 2019.

58. Respondents agree to pay restitution in the amount of \$3,150.00 to Kelly and Pamela Taylor. This sum is due in full and shall be delivered to the Director or the undersigned Deputy Attorney General, via certified check made payable to the State of Delaware, no later than July 31, 2019.

59. Failure by Respondents to remit any payments under this Agreement, including but not limited to failure to remit the restitution payments referenced above by July 31, 2019, shall be deemed a material violation of this Agreement and shall cause all suspended and restitution amounts due hereunder to become immediately due and payable.

#### **MISCELLANEOUS PROVISIONS**

60. In consideration for the commitments and undertakings by Respondents set forth above, the Director shall not institute a civil action or proceeding under the MLMSA, the CFA, the DTPA, or any other law, including but not limited to any action or proceeding seeking restitution, injunctive relief, fines, penalties, attorneys' fees, or costs, against Respondents or any of their successors or assigns based on the allegations set forth in this Agreement.

61. This Agreement shall be binding upon and shall extend to Respondents and any of their agents, parents, subsidiaries, subdivisions, successors, assigns, principals, officers, directors, and employees, as well as any individuals or entities who may otherwise possess or acquire authority to control and/or direct their business and any entity or device through which the above-referenced individuals or entities may now or hereafter act.

62. Respondents shall not participate, directly or indirectly, in any activity, or form, organize or reorganize into any partnership, corporation, sole proprietorship or any other legal structure, for the purpose of avoiding compliance with the terms of this Agreement.

63. Respondents shall not cause or encourage third parties, or knowingly permit third parties acting on its behalf, to engage in practices from which Respondents are prohibited by this Agreement.

64. Respondents shall cooperate with the Director in the implementation of this Agreement.

65. Respondents shall comply with all reasonable requests by the Director for documents or information related to the subject matter of this Agreement.

66. Respondents shall create and maintain, for a period of at least three years from the date of execution of this Agreement all records necessary to demonstrate their compliance with their obligations under this Agreement, and shall provide such records to the Director upon request.

67. Nothing in this Agreement shall be deemed or construed as a grant or permission to Respondents to conduct any activities in violation of any federal, state, or other applicable law or regulation.

68. This Agreement does not constitute an approval by the Director of any of Respondents' business practices, and Respondents shall not make any representation to the contrary.

69. Nothing in this Agreement shall be construed to limit the right of any third party to take any action, assert any claim, or otherwise pursue any available right or remedy against Respondents, or to confer any private right or cause of action upon any third party.

70. Nothing in this Agreement shall preclude the Director or the Consumer Protection Unit from pursuing any action with respect to any acts or practices of Respondents that have not been identified by this Agreement or that occur after the execution of this Agreement.

71. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations and agreements, whether oral or written. This Agreement may not be altered, amended, modified, or otherwise changed except by an instrument in writing executed by all parties hereto.

72. This Agreement shall be interpreted by reference to its plain language, and shall not be construed against any party drafting this Agreement.

73. This Agreement and all of its terms are governed by the laws of the State of Delaware. Any disagreements or contests as to the meaning or enforceability of this Agreement shall be brought before a tribunal of competent jurisdiction within the State of Delaware.

74. Pursuant to 29 *Del. C.* § 2525(a), Respondents acknowledge that the Consumer Protection Unit has the authority to enter the aforesaid relief, and further consents to personal jurisdiction within the State of Delaware and to the jurisdiction of the Consumer Protection Unit for purposes of enforcing the terms of this Agreement. Respondents consent to service of process to enforce the terms of this Agreement in any manner set forth under 10 *Del. C.* § 3104(d).

75. By signing below, Respondents acknowledge that they have entered into this Agreement knowingly and voluntarily, and that they have had opportunity to have this Agreement reviewed by counsel.

76. By signing below, Respondents agree to comply with all of the terms of this Agreement. The parties shall work together in good faith to try to resolve any disputes or



disagreements with respect to the terms of this Agreement. Any violation of this Agreement may be pursued in an action by the Director pursuant to 29 *Del. C.* § 2526.

77. Each undersigned individual represents and warrants that he or she is fully authorized by the party he or she represents to enter into this Agreement and to bind legally such party to the terms of this Agreement.

78. Notices to be sent pursuant to this Agreement shall be sent as follows:

*To Respondents:*

Thomas Moore  
3186 Vista Way, Suite 300  
Oceanside, CA 92056

*To the Director:*

Christian Douglas Wright, Director  
Consumer Protection Unit  
Delaware Department of Justice  
820 N. French Street, 5th Floor  
Wilmington, DE 19801  
(302) 577-6499 – facsimile

[THIS SECTION INTENTIONALLY BLANK]

CEASE AND DESIST AGREEMENT – SIGNATURE PAGE

**ROOSEVELT LAW CENTER, P.C.**



7.3.2019

By: Thomas A. Moore, President  
Title:

Date

**MIRACLES FOR HOMEOWNERS MARKETING, INC.**



7/3/19  
Date

By:  
Title:

**THOMAS A. MOORE, ESQ.**



7.3.2019

Date

**BENJAMIN BORAZGHI**



7/3/19  
Date

**DELAWARE DEPARTMENT OF JUSTICE**



David Weinstein  
Deputy Attorney General  
Consumer Protection Unit  
Delaware Department of Justice  
820 N French St., 5th Floor  
Wilmington, DE 19801  
(302) 577-8600

7/9/19  
Date

IT IS SO ORDERED THIS 10<sup>th</sup> day of July, 2019.



Christian Douglas Wright  
Director  
Consumer Protection Unit