

IN THE MATTER OF:

**PHANTOM VENTURES INC. D/B/A
DIRECT SERVICES-FINANCIAL
COUNSELING GROUP.COM,**

AND

PAYAM P. MANTIVAR,

AND

VECK MATIN,

Respondents.

BEFORE THE MARYLAND

COMMISSIONER OF

FINANCIAL REGULATION

Case Nos.:

LABOR-CFR-76-22-01260

CFR-FY2020-0034

CONSENT ORDER AND SETTLEMENT AGREEMENT

This matter comes before the Office of the Commissioner of Financial Regulation (“OCFR”) as the result of consumer complaints against Phantom Ventures Inc. d/b/a Direct Services-Financial Counseling Group.com (“Phantom Ventures), Payam P. Mantivar, and Veck Matin (hereinafter collectively referred to as “Respondents”). Based upon these complaints and the subsequent investigation, the Commissioner of Financial Regulation (“Commissioner”) determined charges against Phantom Ventures, Payam P. Mantivar, and Veck Matin (hereinafter collectively referred to as “Respondents”) are warranted for unlawful practices associated with Respondents’ mortgage loan modification consulting services offered in the State of Maryland. As a final resolution of this matter without a hearing and for the mutual benefit of the parties, OCFR and Respondents have agreed to enter into this Consent Order and Settlement Agreement (“Agreement”).

This Agreement is entered into this 13th day of July, 2022, by and between OCFR and Respondents. OCFR and Respondents agree and stipulate as follows:

1. At all times relevant to the factual allegations in this matter, Phantom Ventures is a business that operates from 11684 Venture Blvd. Ste. 138, Studio City, CA 91604, as well as 20929 Venture Blvd. Ste. 47, Woodland Hills, CA 91364. Phantom Ventures is not registered with the Maryland State Department of Assessments & Taxation and is not authorized to conduct business in the State of Maryland.

2. As a result of OCFR’s investigation it was discovered that Respondent Matin¹ is the owner, director, officer, manager, and/or agent of Phantom Ventures and directs or exercises control over the activities and finances of Phantom Ventures, including its mortgage assistance relief services and foreclosure consulting activities with Maryland consumers.

¹ It is further alleged in the Commissioner Statement of Charges that Respondent Matin also conducted business under the name “Payam P. Mantivar” (“Respondent Mantivar”).

3. At all times relevant to the factual allegations in this matter, Matin directed, oversaw, and managed the business activities of each and all of the Respondents, including those business activities in Maryland. Further, Respondent Matin had knowledge of, the authority to control, and directly participated in, the business activities of Phantom Ventures, including those activities in Maryland.

4. In September 2019, OCFR's Consumer Services Unit received a complaint alleging that Respondents had engaged in unlawful activities related to a mortgage loan modification for a Maryland consumer named [REDACTED] (Consumer F).

5. As a result of the initial complaint made by Consumer F, OCFR initiated an investigation into the mortgage loan modification activities of Respondents.

6. OCFR's investigation revealed that, in February 2019, Consumer F, who is a Maryland resident, visited Respondent's website, FCG.com, which offered mortgage loan modification consulting services to Maryland residents, for assistance obtaining a mortgage loan modification. Respondents' website advertises that it offers loan modification counseling services. Consumer F also contacted Respondents via telephone.

7. At the time of initial contact with Respondents, Consumer F was more than 60 days in default on her Maryland residential mortgage loan.

8. On February 27, 2019, Consumer F entered into a written mortgage loan modification services agreement with Respondents. Consumer F received a copy of the executed agreement from Respondents. The agreement required Consumer F to pay \$3,400.00 in up-front fees to the Respondents. Pursuant to the agreement, Consumer F made an initial payment in the amount of \$850.00 on February 27, 2019.

9. Consumer F made subsequent payments, all of which totaled \$3,400.00.

10. Respondents did not fully refund the upfront payments that Consumer F made pursuant to the written agreement. Consumer F eventually obtained a partial refund from Respondents in the amount of \$2,550.00. \$850 remains un-refunded and outstanding.

11. As a result of subpoenas served upon Respondents during the investigations, OCFR discovered fourteen (14) additional Maryland consumers who engaged in additional unlawful activities related to a mortgage loan modification with Respondents.

12. These consumers were promised a mortgage loan modification and instructed by Respondents to make up-front payments prior to any mortgage loan modification being applied for or obtained. At least seven (7) consumers were already in default of their mortgage loan when they made initial contact with Respondents.

13. At the conclusion of its investigation, OCFR brought charges against Respondents for violation of Maryland law, including for violations of (i) violating the Protection of

Homeowners in Foreclosure Act, Annotated Code of Maryland, Real Property Article (“RP”) § 7-301 et seq., for collecting compensation from consumers prior to fully performing each and every service that you contracted to perform in violation of RP § 7-307(2), for failing to provide Notice of Rescission to consumers in violation of RP § 7-305, and for failing to provide a signed and dated copy of the written agreement to the consumer in violation of RP § 7-306; as well as (ii) violating the Maryland Mortgage Assistance Relief Services Act, RP § 7-501 et seq., requesting and/or receiving payment of any fee or consideration prior to the consumer obtaining a mortgage loan modification in violation of RP § 7-502 & CFR 1015.5(a); for failing to provide proper disclosures in commercial communications with consumers in violation of RP § 7-502 (MARS) & CFR 1015.4(b); for failing to provide proper disclosures when advising consumer to stop making mortgage payments in violation of RP § 7-502 & CFR 1015.4(c); and for failing to investigate consumer complaints in violation of RP § 7-502 & CFR 1015.9(b)(iii)(2).

14. Respondents deny any and all wrongdoing related to the above-referenced allegations. However, Respondents, in consultation with independent legal counsel, desire and hereby agrees to fully and finally resolve this matter, thereby avoiding the costs associated with administrative hearings and any potential appeals, by entering into this Consent Order and Settlement Agreement.

15. By entering into this Consent Order and Settlement Agreement, Respondents expressly waive their right to: (a) appear before an Administrative Law Judge of the Office of Administrative Hearings for an administrative hearing to defend the charges; (b) the making of Findings of Fact and Conclusions of Law by the Administrative Law Judge; and (c) appeal from this Consent Order and Settlement Agreement to a court of competent jurisdiction.

16. Having consulted with independent legal counsel regarding the negotiation and execution of this Consent Order and Settlement Agreement, Respondents hereby acknowledge they are entering into this Consent Order and Settlement Agreement knowingly, willingly, and voluntarily and with the advice of counsel.

17. Respondents agrees to comply with each and every one of the following terms and conditions in exchange for final resolution of this matter:

- a. Respondents shall immediately cease and desist from originating, making or otherwise offering mortgage assistance relief services and/or foreclosure consulting activities with Maryland consumers, either directly or indirectly through a third-party.
- b. Respondents shall pay an penalty of \$10,000 (Ten Thousand Dollars and Zero Cents) to the Commissioner in the form of a Cashier’s Check or Money Order made payable to the Maryland Commissioner of Financial Regulation, to be delivered to 1100 N. Eutaw Street, Suite 611, Baltimore, MD 21201, Attn: Dana Allen, Director of Enforcement, on or before January 31, 2023.
- c. Respondents shall make payment to the 15 consumers identified by OCFR

during its investigation and described in Appendix A to this Agreement, in the cumulative amount of \$27,840.00 (Twenty-Seven Thousand, Eight Hundred, Forty Dollars, and Zero Cents), in the following manner:

- i. Respondents shall mail a check to each consumer via First Class U.S. Mail, to each affected consumer's last known address, or to an updated address as can be identified through customary address verification means, or, alternatively, authorize an electronic credit to the consumer's last known method of payment on file. Each check shall be mailed on or before December 31, 2022, and accompanied by a letter indicating that the payment is being issued pursuant to a Settlement Agreement between Respondents and the Commissioner of Financial Regulation.
- ii. On or before December 31, 2022, Respondents shall furnish evidence to the Commissioner that payments were tendered to each consumer identified herein in the agreed amount by providing a copy of the front and back of the check for each payment that was negotiated by the affected consumer, or other reasonable means by which OCFR may verify compliance with this provision.
- iii. On or before December 31, 2022, if any payments made by Respondents to Maryland consumers in accordance with this Agreement are either not cashed, are returned to Respondents as non-deliverable (collectively, the "Undeliverable Payments"), or otherwise not received by consumers, such Undeliverable Payments will escheat to the State of Maryland. Respondents will stop payment on such undeliverable payment checks, and shall pay the total amount of all Undeliverable Payments in the form of a single check made payable to the "Comptroller of Maryland," and accompanied by a spreadsheet in both hard copy and electronic format that contains the name of the consumer, the social security number of the consumer (if known), the date of birth of the consumer (if known), the date on which each check was mailed, and an indication of which checks were cashed, and which checks were either not cashed or were returned to Respondents as non-deliverable. Such action on the part of Respondents shall relieve it of any further obligation to make payments to these consumers under this agreement.

18. In consideration of the foregoing obligations, the Commissioner OCFR agrees to accept this Consent Order and Settlement Agreement as the full and final resolution of Case No. LABOR-CFR-76-22-01260 and CFR-FY2022-0034 and agrees not to pursue an administrative enforcement action against Respondents based on the alleged violations cited therein, unless Respondents fails to perform its obligations under this Consent Order and Settlement Agreement. The Commissioner further agrees to release and dismiss all charges in Case No. LABOR-CFR-76-

22-01260 and CFR-FY2022-0029, with prejudice to the refileing of same, and prior to the scheduled hearing set for July 20, 2022.

19. OCFR and Respondents further acknowledges and agrees that, at all times relevant to this matter, OCFR possessed jurisdiction over the facts alleged in the Statement of Charges.

20. OCFR and Respondents further acknowledge and agree that this Consent Order and Settlement Agreement is admissible and shall be binding and enforceable in a court of competent jurisdiction by OCFR should Respondents fail to perform its obligations.

21. OCFR and Respondents further acknowledges and agrees that this Consent Order and Settlement Agreement does not in any way relate to, impact, or otherwise affect the legal rights of, or preclude OCFR from bringing or continuing actions against persons not Parties to the underlying Statement of Charges and/or this Consent Order and Settlement Agreement. Further, this Consent Order and Settlement Agreement is by and between the Commissioner and Respondents in Case No. LABOR-CFR-76-22-01260 and CFR-FY2022-0034.

22. OCFR and Respondents further acknowledge and agree this Consent Order and Settlement Agreement shall be admissible in any court proceedings to which OCFR is a party, and shall be binding upon Respondents' present and future owners, principals, directors, officers, members, partners, managers, agents, successors, and assigns.

23. OCFR and Respondents further acknowledge and agree that any notices hereunder shall be effectively "delivered" when sent via overnight delivery or certified mail as follows:

a. To the Commissioner:

Office of the Commissioner of Financial Regulation
Maryland Department of Labor
1100 N. Eutaw Street, Suite 611
Baltimore, MD 21201
Attn: Dana Allen, Director of Enforcement

And

Kevin McGivern
Assistant Attorney General
1100 Eutaw Street, Suite 605
Baltimore, Maryland 21201

b. To Respondent:

Phantom Ventures, Inc. d/b/a
Direct Services – Financial Counseling Group.com
11684 Ventura Boulevard
Box 113

Studio City, California 91604

With a Copy To:

Monica A. Mihell, Esquire
401 Wilshire Boulevard,
12th Floor
Santa Monica, California 90401

BASED ON THE STIPULATIONS AND AGREEMENTS SET FORTH ABOVE IT IS, BY THE OFFICE OF THE COMMISSIONER OF FINANCIAL REGULATION, HEREBY:

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

ORDERED that, in the event Respondents violate any provision of this Consent Order and Settlement Agreement, or otherwise engage in the activities which formed the basis for the allegations set forth above, the Commissioner may, at the Commissioner's discretion, bring an enforcement action against Respondents pursuant to the Commissioner's authority under applicable State law; such enforcement actions may include the issuance of an order to cease and desist, the imposition of civil money penalties, an order to provide restitution of money or property to any aggrieved persons, and/or an action for relief in the Circuit Court of Maryland; and it is further

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

ORDERED that this document shall constitute a Final Order of the Maryland Commissioner of Financial Regulation and that the Commissioner may consider this Consent Order and Settlement Agreement and the facts set forth herein in connection with, and in deciding, any action or proceeding before the Commissioner; and that this Consent Order and Settlement Agreement may, if relevant, be admitted into evidence in any matter before the Commissioner, the Office of Administrative Hearings, or court of competent jurisdiction in which OCFR is a party.

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

**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION**

By: 

Clifford Charland
Acting Assistant Commissioner

RESPONDENT

By: 

Veck Matin
President
Phantom Ventures, Inc.