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FILED
JUNE 26, 2009
DEPARTMENT OF REAL ESTATE

By C. J.

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) No. H- 36085 LA
12 GREEN CREDIT SOLUTIONS INC., a)
13 corporate real estate broker;) A C C U S A T I O N
14 JEFFREY ALAN CHIUMINATTA,)
15 individually and as former)
16 designated officer of)
17 Green Credit Solutions Inc.;)
18 and CURTIS JAMES MELONE;)
19 Respondents.)

20 The Complainant, Robin Trujillo, a Deputy Real Estate
21 Commissioner, for cause of Accusation against GREEN CREDIT
22 SOLUTIONS INC.; JEFFREY ALAN CHIUMINATTA, individually and as
23 former designated officer of Green Credit Solutions Inc.; and
24 CURTIS JAMES MELONE is informed and alleges as follows:

25 1.

26 The Complainant, Robin Trujillo, a Deputy Real Estate
27 Commissioner of the State of California, makes this Accusation in

1 her official capacity.

2 2.

3 Respondent GREEN CREDIT SOLUTIONS INC. ("GREEN CREDIT")
4 is a California corporation. Respondent CURTIS JAMES MELONE is
5 the President of GREEN CREDIT. Christopher Fox and Brian La Ruffa
6 are also officers of GREEN CREDIT, which has its offices at 7525
7 Irvine Center Drive, Suite 200, Irvine, CA 92618.

8 3.

9 Respondent GREEN CREDIT is licensed by the Department
10 of Real Estate ("Department") as a corporate real estate broker.
11 GREEN CREDIT was originally licensed by the Department on August
12 14, 2008. Respondent JEFFREY ALAN CHIUMINATTA was the broker-
13 officer designated pursuant to Business and Professions Code
14 ("Code") Section 10159.2 to be responsible for ensuring GREEN
15 CREDIT's compliance with the Real Estate Law until he cancelled
16 his designated broker status on November 10, 2008. Since
17 November 10, 2008, GREEN CREDIT has not been broker affiliated,
18 and its license has therefore been inactive.

19 4.

20 Respondent JEFFREY ALAN CHIUMINATTA ("CHIUMINATTA") is
21 licensed by the Department as a real estate broker. CHIUMINATTA
22 was originally licensed by the Department as a broker on
23 September 14, 2007. Between August 14, 2008 and November 10,
24 2008, Respondent CHIUMINATTA was the designated broker-officer of
25 GREEN CREDIT. CHIUMINATTA is currently the designated broker-
26
27

1 officer of Pacwest Funding, a corporate real estate broker with
2 offices at the same location as GREEN CREDIT. CHIUMINATTA's
3 address of record with the Department is 7525 Irvine Center
4 Drive, Suite 200, Irvine, CA 92618.

5 5.

6 Respondent CURTIS JAMES MELONE, aka Curtis James
7 Stanfield and aka Curtis Kubat ("MELONE"), is licensed by the
8 Department as a real estate salesperson. MELONE was originally
9 licensed by the Department on November 20, 2003. His license
10 expired on November 19, 2007 and was renewed on December 19,
11 2008. Respondent CHIUMINATTA is MELONE's current employing
12 broker.

13 6.

14 Respondent MELONE is the President, Chief Executive
15 Officer ("CEO") and/or Chief Operating Officer ("COO") of real
16 estate licensees GREEN CREDIT, Pacwest Funding, and Green
17 Residential. He is also the President, CEO and/or COO of
18 unlicensed corporation Green Credit, Inc., formerly known as Get
19 Green Credit. MELONE's address of record with the Department is
20 7525 Irvine Center Dr., Suite 200, Irvine, CA 92618.

21 7.

22 Christopher Fox is not now and has never been licensed
23 by the Department in any capacity. Fox is an officer of GREEN
24 CREDIT, Pacwest Funding and Green Residential.

25 ///

8.

Brian La Ruffa is not now and has never been licensed by the Department in any capacity. La Ruffa is an officer of GREEN CREDIT, Pacwest Funding, and Green Residential.

9.

MELONE, Fox and La Ruffa are officers of GREEN CREDIT, Pacwest Funding, and Green Residential, licensed real estate corporate brokers which also share the same address of record: 7525 Irvine Center Dr., Suite 200, Irvine, CA 92618.

10.

The parties and entities listed above have also engaged in real estate activities under numerous other business names, including, but not limited to, the following unlicensed business names:

- a) www.getgreencredit.com
- b) www.greencreditsolutions.com
- c) www.gogreencredit.com
- d) www.yournewcreditcompany.com
- e) Green Credit Advisors
- f) Green Credit Holding
- g) Green Credit Collections and Servicing
- h) Leads2Green.

11.

All further references to "Respondents" include the parties listed in Paragraphs 2 through 6 above, as well as the

1 officers, agents, affiliates and employees of the parties listed
2 in Paragraphs 2 through 6.

3 12.

4 At all times relevant herein, Respondents engaged in
5 the business of, acted in the capacity of, advertised or assumed
6 to act as real estate brokers in the State of California within
7 the meaning of Code Sections 10131(d) and 10131.2. Their
8 activities included soliciting borrowers or lenders for and/or
9 negotiating loans, collecting payments and/or performing services
10 for borrowers or lenders in connection with loans secured by lien
11 on real property. Their activities also included claiming,
12 demanding, charging, receiving, collecting or contracting for the
13 collection of advance fees within the meaning of Code Sections
14 10026 and 10085.

15 FIRST CAUSE OF ACCUSATION

16 Audit No. LA080159

17 13.

18
19 On April 29, 2009, the Department completed an audit
20 examination of Respondent GREEN CREDIT's books and records
21 pertaining to the mortgage lending activities described in
22 Paragraph 12 above, covering a period from approximately March 1,
23 2008 to February 28, 2009. The primary purpose of the
24 examination was to determine Respondent GREEN CREDIT and
25 Respondent CHIUMINATTA's compliance with the Real Estate Law.
26 The examination, Audit No. LA 080159, revealed violations of the
27

1 Code and Title 10, Chapter 6 of the California Code of
2 Regulations ("Regulations"), as set forth below, and as more
3 specifically set forth in the Audit Report and Exhibits attached
4 thereto.

5 14.

6 During the examination period, Respondent GREEN CREDIT,
7 acting by and through CHIUMINATTA as its designated broker
8 officer, did not maintain a trust account. Rather, funds,
9 including trust funds, were deposited into and/or disbursed from
10 the following general business account:

11 "Bank Account 1 (B/A 1)": This account, account number
12 321-4151742, was named, "Green Credit Solutions Inc." and was
13 maintained at Wells Fargo Bank, P.O. Box 6995, Portland, OR,
14 97228-6995. This account was maintained for the receipts and
15 disbursements of trust funds received in connection with GREEN
16 CREDIT's general business operations and for the deposit of trust
17 funds in the form of advance fees.
18

19 15.

20 In the course of activities described in Paragraphs 12
21 and 14 above, and during the examination period described in
22 Paragraph 13, Respondents acted in violation of the Code and the
23 Regulations in that:

24 a) Respondents collected advance fees from borrowers
25 pursuant to an agreement which was not authorized by the
26 Department, in violation of Code Section 10085 and Regulation
27

2970.

b) Respondents did not maintain a trust account for the advance fees, in violation of Code Sections 10145 and 10146 and Regulation 2832.

c) The advance fees were deposited into GREEN CREDIT's general business account, which was not set up as a trust account, in violation of Code Section 10146. The following are examples of transactions in which Respondents collected advance fees, which were deposited into their general business account:

<u>Name of Borrower</u>	<u>Date Deposited</u>	<u>Amt. Deposited</u>
Branch, Willard	9/25/08	\$ 3,495.00
Nichols, Troy	8/21/08	\$ 1,500.00
Mc Afee, Kamerin	10/17/08	\$ 2,000.00
Piliu, Tenisi	10/22/08	\$ 1,800.00
Banks, Lamarr	10/14/08	\$ 380.00
Hatter, Richard	9/04/08	\$ 2,495.00
Espinoza, Dennis	11/18/08	\$ 2,000.00
Honeycutt, Tiffany	11/13/08	\$ 1,495.00

d) Respondents collected trust funds, in the form of advance fees, on behalf of borrowers, which trust funds were deposited into Respondents general account, and commingled with general funds, in violation of Code Sections 10176(e).

e) Respondents did not maintain a columnar record of receipts and disbursements of trust funds received on behalf of borrowers, in violation of Code Section 10145 and Regulation

2831.

f) Respondents did not maintain a separate record for each beneficiary of trust funds received from borrowers in connection with its loan modification, in violation of Code Section 10145 and Regulation 2831.1.

g) Respondents did not maintain monthly reconciliations of receipt and disbursement records with the total balance of separate beneficiary records for the bank account that handled advance fees, in violation of Code Section 10145 and Regulation 2831.2.

h) Respondents received advance fees from borrowers without maintaining and providing an accounting identifying the name of the agent, name of the principal, services to be rendered, identity of the trust fund account into which the advance fees were deposited, the amount of the fee collected, and the allocation of money disbursed from the advance fee to cover services, commission and overhead. This was in violation of Regulation 2972.

i) Respondent CHIUMINATTA did not exercise adequate supervision over the activities of GREEN CREDIT to ensure compliance with the Real Estate Laws, in violation of Code Sections 10159.2 and 10177(h), and Regulation 2725.

j) Respondent GREEN CREDIT collected advance fees from borrowers Espinoza and Honeycutt to perform loan modification services after Respondent CHIUMINATTA resigned as designated

broker-officer, and the corporation's license was therefore not broker-affiliated, in violation of Code Sections 10130 and Regulation 2740.

16.

The conduct, acts and/or omissions of Respondent GREEN CREDIT and CHIUMINATTA, as described in Paragraph 15, above, violated the Code and Regulations in the following ways:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
15(a)	Code Sections 10085, and Regulation 2970.
15(b)	Code Sections 10145 and 10146, and Regulation 2832.
15(c)	Code Section 10146.
15(d)	Code Sections 10176(e).
15(e)	Code Section 10145 and Regulation 2831.
15(f)	Code Section 10145 and Regulation 2831.1.
15(g)	Code Section 10145 and Regulation 2831.2.
15(h)	Regulation 2972.
15(i)	Code Sections 10159.2 and 10177(h) and Regulation 2725.
15(j)	Code Sections 10130 and Regulation 2740.

The foregoing violations constitute cause for the suspension or revocation of the real estate licenses and license rights of Respondents GREEN CREDIT and CHIUMINATTA under the

1 provisions of Code Sections 10177(d), 10176(e), 10176(i),
2 10177(g), 10177(j), 10137, 10146 and/or 10085.

3 17.

4 The violations set forth above constitute cause for the
5 suspension or revocation of Respondent CHIUMINATTA's real estate
6 license and/or license rights, as the broker-officer of
7 Respondent GREEN CREDIT, for failing to supervise the activities
8 of the corporation, in violation of Code Sections 10159.2, in
9 conjunction with 10177(h), 10177(d) and/or 10177(g).

10 SECOND CAUSE OF ACCUSATION:

11 (Advance Fee Violations and Unlicensed Activity)

12 18.

13 Complainant incorporates by this reference into this
14 separate cause of accusation the allegations contained above in
15 Paragraphs 1 through 17.

16 19.

17 Beginning on or before June 6, 2008 and continuing to
18 the present time, Respondents solicited, advertised and collected
19 advance fees from mortgage loan clients in connection with loan
20 modification services. As of that time, Respondents had not
21 received approval for an advance fee agreement and related
22 promotional materials prior to use, and Respondents GREEN CREDIT
23 and MELONE were not otherwise licensed to advertise and conduct
24 activities requiring a real estate license.
25

26 ///

20.

In July of 2008, Respondents submitted samples of a proposed advance fee and related advertising and promotional materials to the Department for review. The Department provided Respondents with written objections, setting forth specific details of the materials which were false, misleading and/or deceptive, or which were otherwise not in compliance with the Real Estate laws. Respondents submitted proposed materials several additional times, but none of the materials were approved by the Department.

21.

Despite failure to obtain approval of the proposed advance fee agreements and related promotional materials, Respondents collected advance fees in relation to loan modification services. The advance fees Respondents collected were not placed into a trust account, and trust accounting records were not maintained in compliance the Real Estate Law.

22.

Prior to August 14, 2008, Respondent GREEN CREDIT was not licensed by the Department. Since November 10, 2008, Respondent GREEN CREDIT has not been affiliated with a designated broker-officer. During said periods of time, Respondent GREEN CREDIT was not authorized to conduct activities requiring a real estate license.

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23.

Between November 19, 2007 and December 19, 2008, Respondent MELONE's real estate salesperson license had expired and he was not licensed to conduct activities requiring a real estate license. Respondent MELONE has never been licensed as a real estate broker.

24.

Prior to August 14, 2008, Respondents solicited, advertised and/or collected advance fees, and/or entered into loan modification agreements from clients, including from Martha Rostran and Carlos Mayoral and from William and Angela Lee.

25.

Between August 14, 2008 and November 10, 2008, as set forth above in Paragraph 15(c) above, Respondents entered into advance fee agreements and collected advance fees from clients, including from Willard Branch, Troy Nichols, Kamerin Mc Afee, Tenisi Piliu, Lamarr Banks, and Richard Hatter. Additional examples of advance fees collected include the following:

<u>Borrower</u>	<u>Date of Deposit</u>	<u>Total Amount</u>
Purewal, Tajinder	9/2/08 and 9/30/08	\$ 3,495.00
Bell, Vickie	9/17/08	\$ 1,747.50
Fuentes, Wm.	11/03/08	\$ 3,495.00
Lee, Wm.	8/18/08 & 9/2/08	\$ 3,495.00

///

26.

Subsequent to November 10, 2008, Respondents also collected advance fees from loan modification clients, including from Dennis Espinoza and Tiffany Honeycutt. Respondents continued to advertise loan modification services on the internet.

Martha Rostran and Carlos Mayoral, Jr.

27.

On or about June 6, 2008, Martha Rostran and Carlos Mayoral Jr. received a loan modification application package from Respondent GREEN CREDIT. The package included promotional material describing the loan modification process, financial worksheets for the borrowers to complete, and a form authorizing automatic deductions from the borrowers' bank account by, "Global Client Solutions". In addition, Respondents' loan modification package included documents entitled, "Limited Power of Attorney," and "Authorization for Attorney Services," authorizing attorney Linda S. Klinger, and the Klinger Law Center to assist Respondent GREEN CREDIT in negotiating "loss mitigation solutions," on behalf of the borrowers.

28.

On June 13, 2008, Rostran and Mayoral completed and signed the loan modification paperwork described in Paragraph 25 above. On June 20, 2008, their bank account was debited \$1,747.50 as part of an advance fee, which was deposited into

1 Respondents' account. An additional debit of \$1,747.50 was
2 debited from Rostran and Mayoral's account on July 21, 2008 as
3 the balance of Respondent's advance fee for the loan modification
4 services to be performed. Respondents deposited advance fees
5 paid by Rostran and Mayoral into a general account, not a trust
6 account. Respondents did not maintain an accounting of the funds
7 and /or of services provided.

8 29.

9 Respondents were not successful in obtaining a loan
10 modification for Rostran and Mayoral.

11 William and Angela Lee

12 30.

13 In July of 2008, Respondent GREEN CREDIT solicited
14 consumers William and Angela Lee, and offered to assist them in
15 modifying the terms of existing mortgages on their home in
16 Vacaville, CA. When the Lees first contacted Respondents,
17 payments on their first and second loans were current, but they
18 were having concerns about being able to continue to make
19 payments. Respondents offered to assist the Lees in negotiating
20 with the lenders to modify the terms of their mortgage loans.

21 31.

22 On August 8, 2008, the Lees completed loan modification
23 forms provided to them by Respondents, and provided Respondents
24 with detailed information about their finances. The Lees
25 subsequently paid Respondents advance fees of \$3,495.00, and
26

1 signed a, "Borrower Authorization," authorizing GREEN CREDIT to
2 negotiate loan terms and formulate settlement offers on their
3 behalf.

4 32.

5 Although at the outset, the Lees were current on their
6 loans, Respondents advised the Lees to stop making payments.
7 Respondents failed to perform the services promised, or to obtain
8 a loan for the Lees on more favorable terms. When the loans
9 became delinquent, the Lees communicated directly with the
10 lenders and in December of 2008, got current.

11 33.

12 Between December of 2008 and March of 2009, the Lees
13 had email communications with Respondents about the status of
14 their loan modification. The Lees were not able to obtain clear
15 information from Respondents on any details of Respondents'
16 alleged communications with lenders. On or about April 13, 2009,
17 the Lees received an email letter from Respondent MELONE,
18 identifying himself as "Chief Operations Officer," for GREEN
19 CREDIT, also doing business as www.getgreencredit.com and as the
20 Green Credit Law Center. The letter made representations
21 designed to reassure the Lees that Respondents were still working
22 on their loan modification. In truth and fact, no further
23 efforts were made and the advance fees paid were not refunded.

24
25 ///

26 ///

Vickie Bell

34.

On August 12, 2008, Respondent GREEN CREDIT entered into a written agreement with Vickie Bell ("Bell") to provide loan modification services in relation to mortgages on her home in Hawthorne, California. On September 17, 2008, Bell paid Respondents \$1,747.50 towards a total fee of \$3495.00 called for in the agreement.

35.

In order to induce Ms. Bell to pay an advance fee for the provision of loan modification services, Respondents made material misrepresentations and/or misleading statements. Specifically, Respondents represented that they would be working in conjunction with attorney Ryan Davies, who would be performing negotiations with creditors on Ms. Bell's behalf. Towards that end, Respondents provided Ms. Bell with a "Limited Power of Attorney," form and with an "Engagement Agreement," for her signature, which purported to create an attorney-client relationship between Davies and Ms. Bell. Davies never met with or communicated directly with Ms. Bell, and did not perform loan modification or any other services on her behalf.

36.

Respondents failed to perform services, refused to provide an accounting to Ms. Bell, and refused to refund fees.

///

37.

At all times mentioned herein, Respondents have operated without an advance fee agreement and/or advance fee advertising material approved by the Department. The Department did not approve the advance fee agreements between Respondents and the borrowers prior to use. To the contrary, beginning in July of 2008, Respondents submitted advance fee materials to the Department, and the Department objected to each and all of the submissions, setting forth in writing an analysis of violations, and objections to the use of the materials as presented.

38.

Respondents failed to place any of the advance fees they collected for loan modification services, as describe above, into trust accounts, and did not provide accountings to the consumers for disbursement of fees and/or services provided.

39.

The conduct, acts and/or omissions of Respondents GREEN CREDIT, CHIUMINATTA and MELONE, as set forth above, in collecting advance fees from prospective borrowers pursuant to an agreement which was not authorized by the Department, was in violation of Code Section 10085 and Regulation 2970, and constitutes grounds to discipline the licenses and license rights of Respondents GREEN CREDIT, CHIUMINATTA and MELONE pursuant to Code Sections 10177(d), 10176(i), 10177(j) and/or 10177(g).

///

40.

The conduct, acts and/or omissions of Respondent GREEN CREDIT in employing and compensating unlicensed individuals to perform acts requiring a real estate license constitutes grounds to discipline the licenses and license rights of Respondent GREEN CREDIT pursuant to Code Sections 10137, 10177(d), 10176(i), 10177(j) and/or 10177(g).

41.

The conduct, acts and/or omissions of Respondent GREEN CREDIT in performing activities requiring real estate broker license when it either had no real estate license and/or it was operating without a designated broker-officer affiliation was in violation of Code Section 10130 and Regulation 2740, and constitutes grounds to revoke or suspend its real estate broker license pursuant to Code Sections 10177(d), 10177(j) and/or 10177(g).

42.

The conduct, acts and/or omissions of Respondents GREEN CREDIT and MELONE in advertising and soliciting borrowers for loan modification services and collecting advance fees when not licensed by the Department as real estate brokers was in violation of Code Section 10130, and constitutes grounds to revoke or suspend Respondent GREEN CREDIT and Respondent MELONE's real estate licenses pursuant to Code Sections 10177(d), 10177(j), and/or 10177(g).

43.

The conduct, acts and/or omissions of Respondent CHIUMINATTA, in failing to exercise reasonable supervision over the activities of officers and employees of GREEN CREDIT for which a real estate license was required, was in violation of Code Section 10159.2 and constitutes grounds to discipline the licenses and license rights of Respondent CHIUMINATTA pursuant to Code Sections 10177(h), 10177(d) and/or 10177(g).

THIRD CAUSE OF ACCUSATION

(False advertising and dishonest dealing)

44.

Beginning at a time prior to June 1, 2008 and continuing to the present time, Respondents GREEN CREDIT, CHIUMINATTA and MELONE advertised on the internet and in print media and disseminated promotional materials pertaining to loan modification to potential customers and to other sources of referral of loan modification customers in the real estate industry. The advertisements also solicited advance fees for the performance of activities requiring a real estate license within the definition of Code Section 10131.2.

45.

Respondents' advertisements and promotional materials soliciting advance fees for loan modification services contained representations, statements and/or assurances which were misleading, deceptive and/or false. The ads and promotional

1 materials implied that Respondents would be able to obtain lender
2 approval for "solutions" to the homeowner's problems without
3 having sufficient information about the homeowner's financial
4 situation to make that determination. The ads and promotional
5 materials implied that the Respondents would help avoid
6 foreclosure without having sufficient information to determine
7 whether the homeowner would be able to avoid foreclosure.

8 46.

9 Prior to ever submitting advance fee or advertising
10 materials to the Department for review, and prior to Respondent
11 GREEN CREDIT obtaining a real estate license, Respondents
12 solicited borrowers for loan modification services on the
13 internet, and solicited and received advance fees in relation to
14 those services.

15 47.

16 Beginning on or before July 10, 2008, and continuing
17 through on or about November 18, 2008, Respondents submitted
18 advance fee agreements and related advertising materials relating
19 to loan modification services to the Department for review. In
20 response, the Department provided Respondents with several
21 written reviews of the proposed materials which set forth
22 specific objections to the materials. The Department pointed out
23 a number of ways in which the agreement and advertising materials
24 were misleading, deceptive or incomplete, and otherwise failed to
25 include material information required to comply with the Real
26
27

1 Estate Law. Respondents continued to advertise on the internet,
2 to obtain borrower's signatures on loan modification agreements,
3 and to collect advance fees during this period of time.

4 48.

5 On October 30, 2008, after several other communications
6 with Respondents, in response to sample advance fee and related
7 advertising materials, the Department sent Respondents a letter
8 setting forth eleven items to which it objected with specific
9 citations to the Code Sections violated, and instructed
10 Respondents to discontinue using the advertisements. The
11 Department sent an additional follow-up letter on November 18,
12 2008.

13 49.

14 On November 18, 2008, Respondent CHIUMINATTA provided
15 the following written reply to the Department's letter of
16 November 18, 2008:

17
18 *"Green Credit Solutions has only submitted this*
19 *hypothetical business model to the DRE in hopes of*
20 *achieving it. It looks as if we will not. We*
21 *have not accepted advanced fees up to this point*
22 *and we have not negotiated any loans with the*
23 *lenders up to this point. The current business*
24 *model involves various law firms and levels of*
25 *employment by various attorneys. I am no longer*
26 *the broker of record for the company and do not*
27 *[wish] to move forward."*

50.

CHIUMINATTA's written reply to the Department set forth
in Paragraph 49 contained intentionally false and misleading

1 statements, including that GREEN CREDIT had not accepted any
2 advance fees. As CHIUMINATTA knew, GREEN CREDIT had in fact been
3 engaging in the business model he characterized as
4 "hypothetical," and had in fact been collecting advance fees for
5 loan modification services beginning no later than June 6, 2008.

6 51.

7 GREEN CREDIT never submitted any further advance fee
8 agreements or materials to the Department for review, and never
9 obtained authorization to use any advance fee agreement or
10 materials to solicit and collect advance fees from loan
11 modification clients.

12 52.

13 GREEN CREDIT, CHIUMINATTA and MELONE continued to
14 solicit and collect advance fees from loan modification clients,
15 and to advertise loan modification and related financial services
16 with misleading and deceptive advertising.

17 Soliciting other brokers and referrals

18 53.

19 Beginning at a time prior to October 31, 2008,
20 Respondents GREEN CREDIT SOLUTIONS and JEFFREY CHIUMINATTA,
21 solicited and advertised for real estate loan and loan
22 modification referral business from other real estate brokers and
23 other individuals and entities working in the real estate
24 industry.
25

26 ///

54.

In order to induce other members of the real estate industry to make referrals of loan modification business, Respondents made false, misleading, and/or deceptive representations. Misrepresentations included falsely claiming that Respondents obtained DRE approval of an advance fee agreement, that Respondents were compliant with the law, and that Respondents reviewed customer files in advance to ensure that they would be able to assist a client prior to accepting the file.

55.

On or before October 31, 2008, Respondents solicited Allen Cofield, a broker with Cofield Lending Inc., to refer his real estate clients to Respondents for loan modification services. False, misleading, and/or deceptive representations Respondents made in the promotional materials provided to Mr. Cofield included the following:

a) "Advance fee agreement approved by DRE." This was false. Respondents did not have acceptable agreement on file with the Department. In fact, proposed advance fee agreements and advertising materials submitted to the Department were rejected and found to have contained numerous violations of the Real Estate Law.

b) "Green Credit Solutions spends the money in legal fees and new contract development to remain compliant as laws

1 change so our affiliate partners don't have to." This statement
2 is deceptive and misleads potential "affiliates" to think they do
3 not have to ensure legal compliance. In addition, the
4 promotional materials themselves were not in compliance with the
5 Real Estate law.

6 c) "Free file review and customer welcome call-to
7 ensure we believe we can help a customer before we accept their
8 file." Pursuant to the model in the promotional materials, an
9 advance fee is paid electronically before customers provide
10 financial information. Respondents do not pre-screen. It is not
11 possible for them to "ensure" that they will be able to assist
12 customers.

13 d) "Our total solution can be acquired by a client
14 without costing them [sic] any cash flow from their [sic]
15 existing monthly budget and actually immediately increase their
16 [sic] cash flow." This is an inherently deceptive and misleading
17 statement. Charging an advance fee necessarily negatively
18 impacts a client's cash flow.
19

20 56.

21 The conduct, acts and omissions set forth above in
22 Paragraphs 43 through 55 constitute grounds to suspend or revoke
23 the real estate licenses and license rights of Respondents GREEN
24 CREDIT, CHIUMINATTA and MELONE pursuant to Code Sections 10235,
25 10176(a), 10176(c), 10176(i) and/or 10177(j) for fraud and
26 dishonest dealing, false advertising, and engaging in a continued
27

and flagrant course of misrepresentation.

57.

The conduct, acts and omissions of Respondent
CHIUMINATTA, as set forth above in Paragraphs 43 through 55,
constitutes grounds to suspend or revoke his real estate license
pursuant to 10177(h) and/or 10177(g).

WHEREFORE, Complainant prays that a hearing be
conducted on the allegations of this Accusation and that upon
proof thereof, a decision be rendered imposing disciplinary
action against all licenses and/or license rights of Respondents
GREEN CREDIT SOLUTIONS INC., JEFFREY ALAN CHIUMINATTA, and CURTIS
JAMES MELONE under the Real Estate Law and for such other and
further relief as may be proper under other applicable provisions
of law.

Dated at Los Angeles, California

this 19 day of June, 2009.


Robin Trujillo
Deputy Real Estate Commissioner

cc: Green Credit Solutions Inc.
Jeffrey Chiuminatta
Curtis James Melone
Robin Trujillo
Sacto.
Audits