

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

In the Matter of:

Matthew Goldreich

Respondent.

Docket No. 17-29058-DB

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered into between the United States Department of Housing and Urban Development ("HUD") and Matthew Goldreich ("Respondent"), collectively referred to as the "Parties."

RECITALS

WHEREAS, HUD served a Notice of Proposed Debarment, dated September 26, 2017, on Respondent, proposing to debar Respondent pursuant to 2 C.F.R. Parts 180 and 2424;

WHEREAS, Respondent requested a hearing to present legal and factual arguments as to why he should not be debarred, to address mitigating factors which could affect any debarment decision, and to show that he is presently responsible, operates his company in a presently responsible manner; and that debarment would not be in the public interest;

WHEREAS, among other defenses, Respondent asserted that HUD did not have jurisdiction over him as a participant or principal in a covered transaction and could therefore not debar him;

WHEREAS, HUD asserted it had jurisdiction over the Respondent based upon his advertisement for mortgage loan modification business;

WHEREAS, HUD asserted it had cause to debar the Respondent, based upon his conviction for a violation of 18 U.S.C. § 709 in the U.S. District Court for the District of Connecticut;

WHEREAS, the Parties submitted briefing and a hearing was commenced in this matter on April 3, 2018;

WHEREAS, Respondent and HUD mutually desire to avoid further expense and legal proceedings with respect to this matter and further desire to reach a satisfactory resolution of the matter;

WHEREAS, HUD has the authority to enter into a settlement agreement in a proposed debarment action pursuant to 2 C.F.R. § 180.635, if the settlement is in the best interest of the United States; and,

WHEREAS, this Agreement shall not constitute an admission of liability or fault on the part of either Party;

NOW THEREFORE, the Parties agree as follows:

TERMS

1. This Agreement shall become effective upon: its execution by both Respondent and HUD's Debarring Official, or his duly authorized designee; and, Respondent's tendering of the Payment, as set forth in paragraphs 2 and 3 of this Agreement. The date upon which this Agreement becomes effective is referred to as the "Effective Date" throughout this Agreement.

2. Respondent shall pay to "The Department of Housing and Urban Development," Twenty-Five Thousand Dollars (\$25,000) (the "Payment"), within two business days after this Agreement has been signed by both Respondent and HUD's Debarring Official, or his duly authorized designee.

3. Respondent shall send the Payment to the attention of: Craig T. Clemmensen, Debarring Official, at the following address: 1250 Maryland Avenue, SW, Suite 200, Washington, DC 20024. Upon receipt of the Payment, HUD will terminate the Debarment action. Respondent shall be deemed not debarred, nor proposed for debarment, and HUD shall take no further action against Respondent with respect to the issues described in the Notice of Proposed Debarment, except as otherwise provided for under the terms of this Agreement. The Parties shall also work together to file any documents or motions necessary to terminate the hearing proceeding to the extent required.

4. Respondent agrees that if, within one (1) year after the Effective Date of this Agreement, an action is initiated against him by the government of the United States, the government of a State, or a state or federal governmental regulatory agency, for false advertising related to mortgages or misuse of words in advertising related to mortgages based upon facts other than those listed in the Notice of Proposed Debarment, and such action results in a final order or judgment that Respondent is criminally or civilly liable, he shall be subject to automatic debarment by HUD for a period of three (3) years. For purposes of the terms of this Agreement, an action is initiated by the filing of a complaint, indictment, or other process recognized as commencing a civil, criminal, or administrative action pursuant to the laws and regulations applying to that action. For purposes of the terms of this Agreement, a final order or judgment means an order or judgment of a state or federal Court from which an appeal lies, or an order or judgment of a state or federal governmental regulatory agency which has the authority to issue such determinations and which is a final agency action. For purposes of the terms of this Agreement, automatic debarment shall mean that Respondent shall waive the right to contest such debarment, except that Respondent shall not be precluded from showing that any condition in this Agreement which would trigger the

automatic debarment is not met. Solely for the purposes of an automatic debarment pursuant to the terms of this Agreement, Respondent waives any arguments that HUD does not have jurisdiction over him for purposes of the automatic debarment. If Respondent is automatically debarred pursuant to this paragraph after entry of a final order or judgment, such debarment shall be terminated if such final order or judgment is reversed or vacated upon further appeal or review, upon Respondent providing evidence of the same to the Debarring Official.

5. If, within one (1) year after the Effective Date of this Agreement, after an action which could trigger the automatic debarment described in paragraph 4 of this Agreement is initiated and is pending, a second or subsequent action which could trigger the automatic debarment described in paragraph 4 of this Agreement is initiated, Respondent shall be automatically debarred for a period of three (3) years. If the Respondent is found not liable or adjudicated not guilty by final order or judgment of all such actions, or if all final orders or judgments finding that Respondent is guilty or liable are reversed or vacated upon further appeal or review, then his debarment will be terminated upon his providing evidence of the same to the Debarring Official.

6. Respondent shall notify HUD within fourteen (14) days of receiving notice of the initiation of a proceeding which could trigger the automatic debarment pursuant to the terms of this Agreement, and shall notify HUD within fourteen (14) days of receiving notice of the of the resolution of any such proceeding, or if a final order or judgment is entered against Respondent in such a proceeding.

7. If Respondent fails to notify HUD within 14 days of receiving notice of the initiation of an action that could trigger the automatic debarment provisions set forth above in this Agreement, or if Respondent fails to notify HUD within 14 days of receiving notice of a final order

or judgment that Respondent is criminally, civilly, or administratively liable in an action that could trigger the automatic debarment provisions set forth above in this Agreement, then Respondent agrees he shall be automatically debarred for a period of five (5) years. For purposes of this paragraph, the five (5) year debarment period shall commence upon HUD's Notice to the Respondent that the automatic debarment provision has been triggered pursuant to the terms of this Agreement.

8. This Agreement shall not affect any individuals or entities other than Respondent, except as provided for by law.

9. This Agreement does not waive any rights or responsibilities of HUD or any other federal agency to investigate or initiate other actions pursuant to its lawful authority except as explicitly waived herein.

10. This Agreement may not be altered, amended, or modified, except in writing that is duly executed by authorized representatives of all Parties.

11. This Agreement constitutes the complete agreement between the Parties and supersedes and replaces any prior negotiations and agreements, whether written or oral, regarding the resolution of this matter.

12. Neither Respondent nor HUD will seek the termination or reconsideration of this Agreement, directly or indirectly, after the Effective Date.

13. This Agreement is voluntary and entered into by Respondent and HUD after due consideration of the terms contained herein.

14. Respondent shall sign this agreement on his own behalf. The individual signing this Agreement on behalf of HUD represents and warrants that he or she has the power, consent, and authorization of HUD to execute this Agreement.

15. Respondent hereby waives, releases, and remits any and all claims, direct or indirect, against HUD, including its officers, employees, and contractors, with respect to the issuance of the Notice of Proposed Debarment and the settlement of this matter. Nothing in this paragraph shall be construed as a waiver or release of the Parties' obligations under the Agreement or as precluding the Parties from taking actions necessary to enforce this Agreement.

16. Each of the Parties warrants that it has been represented by and/or had the opportunity to seek and obtain the advice of independent counsel with respect to the nature, purpose, and effect of this Agreement.

17. This Agreement may be executed by each of the parties on counterparts with the same effect as if the Parties had signed the same copy. The Parties further agree that facsimile or electronically scanned signature pages are acceptable and binding and shall be considered as if an original signature.

18. Each of the Parties is to bear its own costs and legal fees.

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WHEREFORE, the Parties hereto have duly executed this Agreement:

MATTHEW GOLDREICH

Signature: _____

Matthew J. Goldreich

Date: _____

7/02/18

**UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT**

Signature: _____

Craig T. Clemmensen

Name (print): _____

Craig T. Clemmensen

Title: _____

Director of The Enforcement Center

Date: _____

7/3/18