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ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

IN THE MATTER OF DETERMINING
Whether there has been a violation of the Check
Cashers and Sellers Act of Washington by:

No.: C-10-345-11-CO01

LOS CUNADOS MARKET LLC, OCTAVIO
MENDOZA, managing member and co-owner,
DEMETRIO FARIAS, member and co-owner,
JUANA MENDOZA, member, and GRISELDA
FARIAS, member,

CONSENT ORDER

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Deborah Bortner, Division Director, Division of Consumer Services, and Los Cunados
Market LLC (Respondent Los Cunados), Octavio Mendoza (Respondent Octavio Mendoza),
Demetrio Farias (Respondent Demetrio Farias), Juana Mendoza (Respondent Juana Mendoza), and
Griselda Farias (Respondent Griselda Farias) (collectively, Respondents), and finding that the issues
raised in the above-captioned matter¹ may be economically and efficiently settled, agree to the entry
of this Consent Order. This Consent Order is entered pursuant to chapter 31.45 of the Revised Code
of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the
following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and
Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges
No. C 10-345-11-SC01 (Statement of Charges), entered April 20, 2011, (copy attached hereto).
Pursuant to chapter 31.45 RCW, the Check Cashers and Sellers Act (Act) and RCW 34.05.060 of the

¹ See, paragraph C below regarding Final Order C-10-345-11-FO01.

1 Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent
2 Order and further agree that the issues raised in the above-captioned matter may be economically and
3 efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully
4 resolve the Statement of Charges.

5 Based upon the foregoing:

6 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
7 of the activities discussed herein.

8 **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
9 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
10 administrative and judicial review of the issues raised in this matter, or of the resolution reached
11 herein. Accordingly, Respondents, by their signatures and the signatures of their representatives
12 below, withdraw their appeal to the Office of Administrative Hearings.

13 **C. Modification and Amendment of Final Order against Respondent Los Cunados.** It is
14 AGREED that Final Order C-10-345-11-FO01 (Final Order) entered against Respondent Los
15 Cunados on June 8, 2011, (copy attached hereto), remains in full force and effect, with the exception
16 of the monetary provisions in Section II(A)(1) and (4) of the Final Order relating to a fine and
17 investigation fee. It is further AGREED that the monetary provisions in Section II(A)(1) and (4) of
18 the Final Order are hereby modified and amended as set forth in paragraphs F (Fine) and G
19 (Investigation Fee) of this Consent Order.

20 **D. Check Casher and Seller License Application Denial.** It is AGREED that
21 Respondents' application for a license to conduct the business of a check casher is denied.

22 **E. Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the
23 date of entry of this Consent Order, Respondents Octavio Mendoza, Demetrio Farias, Juana

24 Mendoza, and Griselda Farias are prohibited from participating in the conduct of the affairs of any

1 check cashier or check seller licensed by the Department or subject to licensure or regulation by the
2 Department, in any capacity.

3 F. **Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
4 \$3,750 , in the form of a cashier's check made payable to the "Washington State Treasurer," upon
5 entry of this Consent Order.

6 G. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
7 investigation fee of \$2,235.50 in the form of a cashier's check made payable to the "Washington
8 State Treasurer." upon entry of this Consent Order. The Fine and Investigation Fee may be paid
9 together in one \$5,985.50 cashier's check made payable to the "Washington State Treasurer."

10 H. **Records Retention.** It is AGREED that Respondent Los Cunados, its officers,
11 employees, and agents shall maintain records in compliance with the Act and shall keep the Director
12 apprised of the location of the books, records and other information relating to Respondents' check
13 cashier and seller's business, and the name, address and telephone number of the individual
14 responsible for maintenance of such records in compliance with the Act.

15 I. **Authority to Execute Order.** It is AGREED that the undersigned have represented and
16 warranted that they have the full power and right to execute this Consent Order on behalf of the
17 parties represented.

18 J. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
19 abide by the terms and conditions of this Consent Order may result in further legal action by the
20 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
21 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

22 K. **Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily
23 entered into this Consent Order, which is effective when signed by the Director's designee.

1 L. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read
2 this Consent Order in its entirety and fully understand and agree to all of the same.

3 **RESPONDENTS:**

4 **Los Cunados Market LLC**

By:

5 Octavio Mendoza

6 OCTAVIO MENDOZA
7 Managing Member and Co-Owner

12-15-11
Date

8 Octavio Mendoza

9 OCTAVIO MENDOZA
Individually

12-15-11
Date

10 Demetrio Farias

11 DEMETRIO FARIAS
Member and Co-Owner

12/12/2011
Date

12 Demetrio Farias

13 DEMETRIO FARIAS
Individually

12/12/2011
Date

14 Juana F Mendoza

15 JUANA MENDOZA
Individually

12/15/11
Date

16 Griselda Farias

17 GRISELDA FARIAS
Individually

12/12/2011
Date


18 [Signature]


19 DENNIS A. HANSEN, WSBA No. 41655
20 Rodriguez & Associates
21 Attorney for Respondents

12/14/2011
Date


22 **DO NOT WRITE BELOW THIS LINE**

1 THIS ORDER ENTERED THIS 27th DAY OF December, 2011

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3 
4 DEBORAH BORTNER
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by: 

9 MARK OLSON
10 Financial Legal Examiner

11 Approved by: 

12 JAMES R. BRUSSELBACK
13 Enforcement Chief



1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

4 IN THE MATTER OF DETERMINING:
5 Whether there has been a violation of the
6 Check Cashers and Sellers Act of Washington by:

No.: C-10-345-11-FO01

7 LOS CUNADOS MARKET LLC, OCTAVIO
8 MENDOZA, Managing Member and Co-owner,
9 DEMETRIO FARIAS, Managing Member and
10 Co-owner, JUANA FARIAS, Member,
11 GRISELDA MENDOZA, Member,

FINAL ORDER

LOS CUNADOS MARKET LLC

Respondents.

12 I. DIRECTOR'S CONSIDERATION

13 A. Default. This matter has come before the Director of the Department of Financial
14 Institutions of the State of Washington (Director), through his designee, Consumer Services Division
15 Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On April 20, 2011,
16 the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention
17 to Enter an Order to Deny License Application, Ban from Industry, Impose Fine and Collect
18 Investigation Fee (Statement of Charges) against Los Cunados Market LLC (Respondent)¹. A copy
19 of the Statement of Charges is attached and incorporated into this order by this reference. The
20 Statement of Charges was accompanied by a cover letter dated April 21, 2011, a Notice of
21 Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative
22 Hearing for Respondent (collectively, accompanying documents).

On April 21, 2011, the Department personally served Respondent with the Statement of
Charges and accompanying documents. On April 21, 2011, the Department also served Respondent

¹ The Statement of Charges was issued and served on Respondents Los Cunados Market LLC, Octavio Mendoza,
Demetrio Farias, Juana Mendoza, and Griselda Farias. However, this Final Order (Default) applies only to Los Cunados
Market LLC.

1 with the Statement of Charges and accompanying documents, sent by United States Postal Service
2 First-Class mail (First-Class mail) and Federal Express overnight delivery. On April 22, 2011, the
3 documents sent via Federal Express overnight delivery were delivered. The documents sent via First-
4 Class mail were not returned to the Department by the United States Postal Service.

5 Respondent did not request an adjudicative hearing within twenty calendar days after the
6 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for
7 in WAC 208-08-050(2).

8 B. Record Presented. The record presented to the Director's designee for her review and
9 for entry of a final decision included the following: Statement of Charges, cover letter, Notice of
10 Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing
11 for Respondent Los Cunados Market LLC, with documentation of service.

12 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the
13 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

14 II. FINAL ORDER

15 Based upon the foregoing, and the Director's designee having considered the record and being
16 otherwise fully advised, NOW, THEREFORE:

17 A. IT IS HEREBY ORDERED, That:

- 18 1. Respondent Los Cunados Market LLC's application for a license to conduct the
19 business of Check Cashier and Seller is denied.
- 20 2. Respondent Los Cunados Market LLC pay a fine of \$10,000.
- 21 3. Respondent Los Cunados Market LLC is prohibited from participation in the
22 conduct of the affairs of any check cashier or seller subject to licensure by the
23 Director, in any manner, for a period of 10 years.
- 24 4. Respondent Los Cunados Market LLC pay an investigation fee of \$655.40.

1 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
2 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
3 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
4 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
5 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
6 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
7 Reconsideration a prerequisite for seeking judicial review in this matter.

8 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the
9 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a
10 written notice specifying the date by which it will act on a petition.

11 C. Stay of Order. The Director's designee has determined not to consider a Petition to
12 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
13 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

14 D. Judicial Review. Respondent has the right to petition the superior court for judicial
15 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for
16 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

17 E. Non-compliance with Order. If you do not comply with the terms of this order, the
18 Department may seek its enforcement by the Office of the Attorney General to include the collection
19 of the fines and investigation fees imposed herein. The Department also may assign the amounts
20 owed to a collection agency for collection.

21 //

22 //

23 //

1 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial
2 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
3 attached hereto.

4 DATED this 8th day of June, 2011



7 STATE OF WASHINGTON
8 DEPARTMENT OF FINANCIAL INSTITUTIONS

9 
A handwritten signature in dark ink, appearing to read "Deborah Bortner", is written over a horizontal line.

10 DEBORAH BORTNER
11 Director
12 Division of Consumer Services

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the Check
Cashers and Sellers Practices Act of Washington
by:

LOS CUNADOS MARKET LLC, OCTAVIO
MENDOZA, managing member and co-owner,
DEMETRIO FARIAS, member and co-owner,
JUANA MENDOZA, member, and GRISELDA
FARIAS, member,

Respondents.

No.: C-10-345-11-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO DENY LICENSE
APPLICATION, BAN FROM INDUSTRY,
IMPOSE FINE, AND COLLECT
INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial
Institutions of the State of Washington (Director) is responsible for the administration of chapter
31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation
pursuant to RCW 31.45.040 and RCW 31.45.100, and based upon the facts available as of the date of
this Statement of Charges, the Director, through his designee, Division of Consumer Services
Director Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Los Cunados Market LLC (Respondent Los Cunados) submitted an application to the
Department of Financial Institutions of the State of Washington (Department) for a license to conduct
business as a check casher at 308 Govt Way, Mattawa, Washington. The application was received by
the Department on or about February 16, 2010.

1 B. Octavio Mendoza (Respondent Octavio Mendoza) is listed as the managing member
2 and co-owner (50%) of Respondent Los Cunados in the application.

3 C. Demetria Farias (Respondent Demetria Farias) is listed as a member and co-owner
4 (50%) of Respondent Los Cunados in the application

5 D. Juana Mendoza (Respondent Juana Mendoza) is listed as a member of Respondent
6 Los Cunados in the application.

7 **1.2 Bad Character and Prohibited Acts.** On or about February 16, 2010, Respondents
8 submitted inaccurate or false social security numbers to the Department in their application for
9 licensure and supporting documents.

10 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the
11 Act by Respondents continues to date.

12 II. GROUNDS FOR ENTRY OF ORDER

13 **2.1 Definition of Check Casher.** Pursuant to RCW 31.45.010(5), a "Check Casher" is defined as
14 an individual, partnership, unincorporated association, or corporation that, for compensation,
15 engages, in whole or in part, in the business of cashing checks, drafts, money orders, or other
16 commercial paper serving the same purpose.

17 **2.2 Character and Fitness.** Based upon the Factual Allegations set forth in Section I above,
18 Respondents are in apparent violation of RCW 31.45.040(1)(b) for demonstrating character and
19 fitness such that Respondents are unable to engage in the business of a check casher in an honest,
20 fair, and efficient manner with the confidence and trust of the community.

21 **2.3 Prohibited Practices.** Based upon the Factual Allegations set forth in Section I above, the
22 Respondents are in apparent violation of RCW 31.45.105(1)(a) and (b) and RCW 31.45.110(1)(b),
23 (e), and (l) for directly or indirectly employing any scheme, device, or artifice to defraud or mislead

1 any borrower, to defraud or mislead any lender, or to defraud or mislead any person, or for directly or
2 indirectly engaging in any unfair or deceptive practice toward any person, or for providing false
3 information in an application or for committing an act or engaging in conduct that demonstrates
4 incompetence or untrustworthiness, or is a source of injury and loss to the public.

5 III. AUTHORITY TO IMPOSE SANCTIONS

6 **3.1 Authority to Deny License Application.** Pursuant to RCW 31.45.110(2)(a), the Director
7 may deny a license application if an applicant is violating or has violated the Act including rules and
8 orders, or provides false statements or omissions of material information on the application that, if
9 known, would have allowed the director to deny the application for the original license, or commits
10 any act or engages in conduct that demonstrates incompetence or untrustworthiness, or is a source of
11 injury or loss to the public.

12 **3.2 Authority to Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the Director may
13 remove from office or ban from participation in the conduct of the affairs of any licensee any
14 director, officer, sole proprietor, partner, controlling person, or employee of a licensee that is
15 violating or has violated the Act including rules and orders, or commits any act or engages in conduct
16 that demonstrates incompetence or untrustworthiness, or is a source of injury or loss to the public.

17 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a
18 fine, not to exceed one hundred dollars per day for each day's violation of the Act, on any licensee or
19 applicant, or any director, officer, sole proprietor, partner, controlling person, or employee of a
20 licensee or applicant, that is violating or has violated the Act including rules and orders, or commits
21 any act or engages in conduct that demonstrates incompetence or untrustworthiness, or is a source of
22 injury or loss to the public.

1 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.030(4), RCW 31.45.050(1),
2 RCW 31.45.100, WAC 208-630-350 and WAC 208-630-380, the Director shall collect from an
3 applicant the actual cost of a review and investigation of an application. The investigation charge
4 will be calculated at the rate of sixty-nine dollars (\$69) per hour that each staff person devoted to the
5 investigation, plus actual expenses. The deposit fee is applied to the actual cost of investigating the
6 application. If the deposit fee is not sufficient to cover the cost, the applicant will be assessed and
7 responsible for any additional cost.

8 **IV. NOTICE OF INTENTION TO ENTER ORDER**

9 Respondents' violations of the provisions of chapter 31.45 RCW and chapter 208-630 WAC,
10 as set forth in the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the
11 entry of an Order under RCW 31.45.110 and RCW 31.45.200. Therefore, it is the Director's
12 intention to ORDER that:

13 **4.1** Respondents Los Cunados Market LLC, Octavio Mendoza, Demetrio Farias, Juana
14 Mendoza and Griselda Farias' application for a license to conduct the business of a check
15 cashier be denied;

16 **4.2** Respondents Los Cunados Market LLC, Octavio Mendoza, Demetrio Farias, Juana
17 Mendoza and Griselda Farias be banned from participation in the conduct of the affairs of any
18 check cashier, check cashier with a small loan endorsement, or check seller subject to licensure
19 by the Director, in any manner, for a period of ten (10) years;

20 **4.3** Respondents Los Cunados Market LLC, Octavio Mendoza, Demetrio Farias, Juana
21 Mendoza and Griselda Farias jointly and severally pay a fine, which as of this date totals,
22 \$10,000;

23 **4.4** Respondents Los Cunados Market LLC, Octavio Mendoza, Demetrio Farias, Juana
24 Mendoza and Griselda Farias jointly and severally pay an investigation fee in the amount of
\$655.40, calculated at \$69 per hour for the nineteen and one half (19.5) staff hours devoted to
the investigation, minus the \$690.10 application deposit previously paid by Respondents.

//

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 31.45.110 and RCW
3 31.45.200, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure
4 Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF
5 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
6 Statement of Charges.

7 Dated this 30th day of April, 2011.



12 Deborah Bortner
13 DEBORAH BORTNER
14 Director
15 Division of Consumer Services
16 Department of Financial Institutions

17 Presented by:

18
19 Marnie Sheeran
20 MARNIE SHEERAN
21 Financial Legal Examiner

22 Approved by:

23
24 James R. Brusselback
JAMES R. BRUSSELBACK
Enforcement Chief