

TERMS COMPLETED

ORDER SUMMARY – Case Number: C-11-0667-13-CO01

Name(s): William Elias

Order Number: C-11-0667-13-CO01

Effective Date: February 4, 2014

License Number: NMLS #197971

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect: n/a

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,500	Due 2/5/14	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/4/14
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
	No. of Victims:	1		

Comments:

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

IN THE MATTER OF DETERMINING:
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

WJE ENTERPRISES, INC. d/b/a FEDERAL
MODIFICATION GROUP, and
WILLIAM ELIAS, President, NMLS #197971,

Respondents.

No.: C-11-0667-13-CO01

CONSENT ORDER AS TO
WILLIAM ELIAS

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and William Elias (Respondent Elias), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled solely as they relate to Respondent Elias, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 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 Respondent Elias have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-11-0667-12-SC02 (Statement of Charges), entered February 8, 2013, (copy attached hereto) solely as they relate to Respondent Elias. Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent Elias hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order solely as they relate to Respondent Elias. The parties intend this Consent Order to fully resolve the Statement of Charges solely as it relates to Respondent Elias and agree that the

1 Respondent Elias does not admit any wrongdoing by its entry. Respondent Elias is agreeing not to
2 contest the Statement of Charges in consideration of the terms of this Consent Order.

3 Based upon the foregoing:

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

6 **B. Waiver of Hearing.** It is AGREED that Respondent Elias has been informed of the right
7 to a hearing before an administrative law judge, and hereby waives his right to a hearing and any and
8 all administrative and judicial review of the issues raised in this matter, or of the resolution reached
9 herein. Accordingly, Respondent Elias, by his signature below, withdraws his appeal to the Office of
10 Administrative Hearings.

11 **C. No Admission of Liability.** It is AGREED that Respondent Elias does not admit to any
12 wrongdoing by entry of this Consent Order.

13 **D. License Application.** It is AGREED that Respondent Elias will obtain a license or
14 qualify for an exemption before conducting the business of a mortgage broker in the state of
15 Washington.

16 **E. Restitution.** It is AGREED that Respondent Elias has paid restitution in the amount of
17 \$2,500 to consumer M.F. as identified in section 1.2 of the Statement of Charges.

18 **F. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the
19 consent of any person or entity not a party to this Consent Order to take any action concerning their
20 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
21 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,
22 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

23 **G. Non-Compliance with Order.** It is AGREED that Respondent Elias understands that
24 failure to abide by the terms and conditions of this Consent Order may result in further legal action

1 by the Director. In the event of such legal action, Respondent Elias may be responsible to reimburse
2 the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

3 **H. Voluntarily Entered.** It is AGREED that Respondent Elias has voluntarily entered into
4 this Consent Order, which is effective when signed by the Director's designee.

5 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondent Elias has
6 read this Consent Order in its entirety and fully understands and agrees to all of the same.

7 **RESPONDENT:**

8 [Redacted]
9 [Redacted]
10 William Elias

Date 1/9/2014 DA

11 [Redacted]
12 Danila Artaev, Michigan Bar No.P74495
13 The Mike Cox Law Firm, PLLC
14 Attorney for Respondent Elias

Date 1-10-2014 DA

15 DO NOT WRITE BELOW THIS LINE

16
17
18 THIS ORDER ENTERED THIS 4th DAY OF February, 2013 ^{4 PB}



19 [Redacted]
20 [Redacted]
21 DEBORAH BORTNER
22 Director
23 Division of Consumer Services
24 Department of Financial Institutions

RECEIVED

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Division of Consumer Services
Enforcement Unit
Dept. of Financial Institutions

1 Presented by:

2 [Redacted]

3 DEVON P. PHELPS
4 Financial Legal Examiner

5 Approved by:

6 [Redacted]

7 CHARLES E. CLARK
8 Enforcement Chief

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

4 IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

5 WJE ENTERPRISES, INC. D/B/A FEDERAL
6 MODIFICATION GROUP A/K/A CREDIT CARE
PLUS A/K/A FINANCIAL CREDIT SERVICES,
and
7 THOMAS GLASSMAN, President,

8 Respondents.

No. C-11-0667-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO PRODUCE RECORDS,
CEASE AND DESIST BUSINESS,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
COLLECT INVESTIGATION FEE

9 **INTRODUCTION**

10 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial
11 Institutions of the State of Washington (Director) is responsible for the administration of chapter
12 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation pursuant
13 to RCW 19.146.235, and based upon the facts available as of the date of this Statement of Charges, the
14 Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes
15 this proceeding and finds as follows:

16 **I. FACTUAL ALLEGATIONS**

17 **1.1 Respondent** WJE Enterprises, Inc. D/B/A Federal Modification Group A/K/A Credit Care
18 Plus A/K/A Financial Credit Services (Respondent WJE Enterprises) has never been licensed by the
19 Department of Financial Institutions of the State of Washington (Department) to conduct business as a
20 mortgage broker or loan originator.

21 **1.2 Respondent** Thomas Glassman (Respondent Glassman) is President of Respondent WJE
22 Enterprises. During the relevant time period, Respondent Glassman was not licensed by the
23 Department to conduct business as a mortgage broker or loan originator.

1 **1.3 Unlicensed Activity.** On or about September 11, 2009, Respondents WJE Enterprises and
2 Glassman (Respondents) were offering residential mortgage loan modification services to Washington
3 consumers on property located in Washington State. Respondents entered into a contractual
4 relationship with at least one Washington consumer to provide those services and collected an advance
5 fee for the provision of those services. The Department has received at least one complaint from a
6 Washington consumer alleging Respondents provided or offered to provide residential mortgage loan
7 modification services while not licensed by the Department to provide those services. Consumer M.F.
8 paid Respondents a fee of \$2,500.

9 **1.4 Misrepresentations and Omissions.** Respondents represented that they were licensed to
10 provide the residential mortgage loan modification services or omitted disclosing that they were not
11 licensed to provide those services.

12 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
13 Act by Respondents continues to date.

14 II. GROUNDS FOR ENTRY OF ORDER

15 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
16 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
17 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
18 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
19 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a
20 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among
21 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

22 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a
23 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
24 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;

1 negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform any of
2 these activities.

3 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
4 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
5 toward any person and obtaining property by fraud or misrepresentation.

6 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
7 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
8 for engaging in the business of a mortgage broker for Washington residents or property without first
9 obtaining a license to do so.

10 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
11 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
12 for engaging in the business of a loan originator without first obtaining and maintaining a license.

13 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
14 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
15 location that is on file with and readily available to the Department until at least twenty-five months
16 have elapsed following the effective period to which the books and records relate.

17 **III. AUTHORITY TO ORDER PRODUCTION OF RECORDS**

18 **3.1 Authority to Order Production of Records.** Pursuant to RCW 19.146.223, RCW 19.146.
19 235(2), and WAC 208-660-520, the Director may issue orders directing any person to produce books,
20 accounts, records, files, and any other documents the director or designated person deems relevant to
21 an investigation.

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1 **IV. AUTHORITY TO IMPOSE SANCTIONS**

2 **4.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
3 Director may issue orders directing any person subject to the Act to cease and desist from conducting
4 business.

5 **4.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
6 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
7 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
8 (13), or RCW 19.146.200.

9 **4.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
10 restitution against any person subject to the Act for any violation of the Act.

11 **4.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
12 against any person subject to the Act for any violation of the Act.

13 **4.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
14 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner’s time devoted
15 to an investigation of any person subject to the Act.

16 **V. NOTICE OF INTENT TO ENTER ORDER**

17 Respondents’ violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
18 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
19 and RCW 19.146.223. Therefore, it is the Director’s intent to ORDER that:

20 **5.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

21 **5.2** Respondents provide the Department with a list detailing all residential mortgage loan
22 modification services transactions with Washington consumers, including the name, address,
23 and phone numbers of the consumers, the transaction date, and fees collected by Respondents
for the provision of those services.

24 **5.3** Respondents be prohibited from participation in the conduct of the affairs of any mortgage
broker subject to licensure by the Director, in any manner, for a period of five years.

1 5.4 Respondents jointly and severally pay restitution to the consumer identified by the Department
2 in paragraph 1.3 as having paid \$2,500 to Respondents, and that Respondents jointly and
3 severally pay restitution to each Washington consumer with whom they entered into a contract
4 for residential mortgage loan modification services related to real property or consumers
5 located in the state of Washington equal to the amount collected from that Washington
6 consumer for those services in an amount to be determined at hearing.

7 5.5 Respondents jointly and severally pay a fine of \$3,000 for each residential loan modification
8 transaction entered into with Washington consumers. As of the date of this Statement of
9 Charges, the fine totals \$3,000.

10 5.6 Respondents jointly and severally pay an investigation fee at the rate of \$48.00 per hour. As of
11 the date of this Statement of Charges, the investigation fee totals \$446.

12 5.7 Respondents maintain records in compliance with the Act and provide the Department with the
13 location of the books, records and other information relating to Respondents' provision of
14 residential mortgage loan modification services in Washington, and the name, address and
15 telephone number of the individual responsible for maintenance of such records in compliance
16 with the Act.

17 VI. AUTHORITY AND PROCEDURE

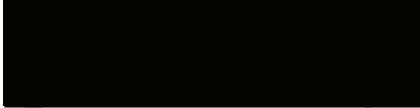
18 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
19 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
20 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
21 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
22 accompanying this Statement of Charges.
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24

Dated this 27th day of September, 2012.



[Redacted Signature] _____
DEBORAH BORTNER
Director, Division of Consumer Services
Department of Financial Institutions

1 Presented by:



3 DEVON P. PHELPS
Financial Legal Examiner

5 Approved by:



7 CHARLES E. CLARK
Enforcement Chief

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