

## ORDER SUMMARY – Case Number: C-16-2025

**Name(s):** Law Offices of Thomas R. D’Arco, PC, d/b/a Infinity Legal Group;  
Thomas R. D’Arco, Esq.

**Order Number:** C-16-2025-17-CO01

**Effective Date:** August 10, 2017

**License Number:** N/A - Unlicensed

**Not Apply Until:** For a period of ten (10) years from the date of entry of this Consent Order, Respondents shall not apply to the Department for any license under any name.

**Prohibition/Ban Until:** For a period of ten (10) years from the date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the conduct of the affairs of any mortgage broker or consumer loan company licensed by the Department or subject to licensure or regulation by the Department.

<b>Investigation Costs</b>	\$ 5,000.00	Stayed contingent on compliance with CO, including payment of restitution.
<b>Fine</b>	\$50,000.00	Stayed contingent on compliance with CO, including payment of restitution.
<b>Restitution</b>	\$ 1,576.00	Due: Monthly at \$100 per month until paid in full.

**Comments:** If the Department determines that Respondents have not complied with the terms of the Consent Order, and the Department seeks to lift the stays and impose the stayed sanctions, Respondents may be jointly and severally liable for the \$50,000 fine and \$5,000 in investigation fees.

**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:

No. C-16-2025-17-CO01

CONSENT ORDER

THE LAW OFFICES OF THOMAS R. D'ARCO, PC,  
d/b/a INFINITY LEGAL GROUP, and  
THOMAS R. D'ARCO, ESQ.,

Respondents.

COME NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and The Law Offices of Thomas R. D'Arco, PC, d/b/a Infinity Legal Group (Respondent Infinity), and Thomas R. D'Arco (Respondent D'Arco), principal of Respondent Infinity (collectively, Respondents), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, 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 Respondents have agreed upon a basis for resolution of the matters alleged in the attached Statement of Charges No. C-16-2025-17-SC01 (Statement of Charges), entered January 31, 2017. Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges as to Respondents, and agree that the Respondents do not admit any wrongdoing by its entry. In consideration of the terms of this Consent Order Respondents are agreeing not to contest the Statement of Charges.

**Based upon the foregoing:**

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

1       **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing before  
2 an administrative law judge, and hereby waive their right to a hearing and any and all administrative and judicial  
3 review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent Infinity, by  
4 the signature of its representative below, and Respondent D'Arco, by his signature, withdraw their appeal to the  
5 Office of Administrative Hearings.

6       **C. Prohibition from Industry.** It is AGREED and ORDERED that, for a period of ten (10) years from the  
7 date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the conduct  
8 of the affairs of any mortgage broker or consumer loan company licensed by the Department or subject to licensure  
9 or regulation by the Department.

10       **D. Application for License.** It is AGREED and ORDERED that, for a period of ten (10) years from the date  
11 of entry of this Consent Order, Respondents shall not apply to the Department for any license under any name.

12       **E. Financial Condition.** It is AGREED that Respondents have provided the Department with information  
13 describing their current financial condition and representing their current inability to pay the fine and investigation  
14 fee obligations agreed to in Paragraphs F and G of this Consent Order.

15       **F. Fine.** It is AGREED and ORDERED that Respondents shall jointly and severally pay a fine to the  
16 Department in the amount of \$50,000. It is FURTHER AGREED that payment of the entire fine is STAYED  
17 contingent upon Respondents' compliance with the terms of this Consent Order.

18       **G. Investigation Fee.** It is AGREED and ORDERED that Respondents shall jointly and severally pay to the  
19 Department an investigation fee of \$5,000. It is FURTHER AGREED that payment of the entire investigation fee  
20 is STAYED contingent upon Respondents' compliance with the terms of this Consent Order.

21       **H. Restitution.** It is AGREED that Respondents are making restitution payments to the complaining  
22 Washington consumer referenced in the Statement of Charges in the amount of \$100.00 per month, and have to  
23 date reduced their obligation from \$2,514 to \$1,576. It is FURTHER AGREED and ORDERED that Respondents  
24 shall jointly and severally continue to make those restitution payments until the amount is paid in full. Breach of  
25 this provision shall, pursuant to Paragraph J, result in the Lifting of Stays agreed to in Paragraphs F and G.

1       **I. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the consent of any  
2 person or entity not a party to this Consent Order to take any action concerning their personal legal rights. It is  
3 further AGREED that for any person or entity not a party to this Consent Order, this Consent Order does not limit  
4 or create any private rights or remedies against Respondents, limit or create liability of Respondents, or limit or  
5 create defenses of Respondents to any claims.

6       **J. Lifting of Stays.** It is AGREED and ORDERED that:

- 7       1. If the Department determines that Respondents have not complied with the terms of this  
8       Consent Order, and the Department seeks to lift the stays and impose the stayed sanctions listed  
9       in Paragraphs F and G, above, the Department will first serve Respondents with a written notice  
10       of alleged noncompliance.
- 11       2. The notice will include:
  - 12       a) A description of the alleged noncompliance;
  - 13       b) A statement that the Department seeks to lift the stays and impose the \$50,000 fine and  
14       \$5,000 investigative fee;
  - 15       c) Notice that Respondents can contest the notice of alleged noncompliance by either  
16       requesting an adjudicative hearing before an Administrative Law Judge (ALJ) of the  
17       Office of Administrative Hearings (OAH), or, in lieu thereof, by submitting a written  
18       response to the Department contesting the alleged noncompliance; and
  - 19       d) Notice that this Paragraph J, Lifting of Stays, only applies to this Consent Order.
- 20       3. Respondents will be afforded ten (10) days from the date of service of the notice of alleged  
21       noncompliance to submit a written request to the Department for an adjudicative hearing or, in  
22       lieu thereof, a written response contesting the alleged noncompliance.
- 23       4. The scope and issues of the adjudicative hearing are limited solely to whether or not Respondents  
24       are in violation of the terms of the this Consent Order.
- 25       5. At the conclusion of the adjudicative hearing the ALJ will issue an initial decision. Either party  
      may file a Petition for Review of that initial decision with the Director.
6. In lieu of requesting an adjudicative hearing, within ten (10) days from the date of service of the  
      notice of alleged noncompliance, Respondents may submit a written response for consideration  
      by the Department contesting the alleged noncompliance. The response must include each  
      Respondents' waiver of the right to an adjudicative hearing, may address the alleged  
      noncompliance, and may seek an alternative resolution to lifting the stays.
7. **Default.** If Respondents do not timely request an adjudicative hearing or submit a written  
      response contesting the notice of alleged noncompliance, the Department may lift the stays and  
      impose the \$50,000 fine and \$5,000 investigative fee without further notice.

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1 **K. Change of Address.** It is AGREED that for the ten years this Consent Order is in effect, unless otherwise  
2 agreed to in writing by the Department, Respondent D'Arco shall provide the Department with a mailing address  
3 and telephone number at which he can be contacted, and shall notify the Department in writing of any changes to  
4 his mailing address or telephone number within fifteen days of any such change.

5 **L. Records Retention.** It is AGREED that Respondents shall maintain records in compliance with the Act  
6 and provide the Director with the location of the books, records and other information relating to Respondents'  
7 residential mortgage loan modification business, and the name, address and telephone number of the individual  
8 responsible for maintenance of such records in compliance with the Act.

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

13 **N. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this Consent Order,  
14 which is effective when signed by the Director's designee.

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

17 **P. Counterparts.** This Consent Order may be executed by Respondents in any number of counterparts,  
18 including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed to be an original, but all of  
19 which, taken together, shall constitute one and the same Consent Order.

20 **RESPONDENTS:**

21 **The Law Offices of Thomas R. D'Arco, PC, d/b/a Infinity Legal Group**

22 By:

23 /s/ \_\_\_\_\_  
THOMAS R. D'ARCO, ESQ  
Principal

8/10/2017 \_\_\_\_\_  
Date

24 /s/ \_\_\_\_\_  
THOMAS R. D'ARCO, ESQ.  
25 Individually

8/10/2017 \_\_\_\_\_  
Date

1 THIS ORDER ENTERED THIS 10<sup>th</sup> DAY OF AUGUST, 2017.

2  
3 /s/ \_\_\_\_\_  
4 CHARLES E. CLARK  
5 Director, Division of Consumer Services  
6 Department of Financial Institutions  
7

8  
9 Presented by:

10  
11 /s/ \_\_\_\_\_  
12 ANTHONY W. CARTER  
13 Senior Legal Examiner  
14 Enforcement Unit  
15 Division of Consumer Services  
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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 THE LAW OFFICES OF THOMAS R. D'ARCO, PC,  
6 d/b/a INFINITY LEGAL GROUP, and  
THOMAS R. D'ARCO, ESQ.,

7 Respondents.

No. C-16-2025-17-SC01

STATEMENT OF CHARGES and NOTICE OF  
INTENT TO ENTER AN ORDER TO CEASE AND  
DESIST, PROHIBIT FROM INDUSTRY, ORDER  
RESTITUTION, IMPOSE FINE, COLLECT  
INVESTIGATION FEES, and RECOVER COSTS  
AND EXPENSES OF PROSECUTION

8  
9 INTRODUCTION

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

15 I. FACTUAL ALLEGATIONS

16 1.1 Respondents.

17 A. The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group (Respondent Infinity) has  
18 never been licensed by the by the Department of Financial Institutions of the State of Washington (Department) to  
19 conduct business as a mortgage broker or loan originator in Washington.

20 B. Thomas R. D'Arco (Respondent D'Arco) has never been licensed by the Department to conduct  
21 business as a mortgage broker or loan originator in Washington. Respondent D'Arco is the owner and founder of  
22 Respondent Infinity; is licensed by the State Bar of California, member number 79929; and during the relevant  
23 time period was not licensed by the Washington State Bar Association to provide legal services in Washington.

24 1.2 California State Bar Association Action. On or about March 18, 2016, Respondent D'Arco admitted, and  
25 the California State Bar Association (CALBAR) found, that Respondent D'Arco willfully committed professional  
26 misconduct by charging and collecting advance fees for loan modification services for California clients; failing

1 to provide clients with a required statement indicating they did not need to hire a third party to arrange for loan  
2 modifications; and, in one matter, failing to provide competent legal services. Respondent D'Arco's was placed  
3 on two years' probation by CALBAR and is subject to a conditional one-year suspension of his license.

4 **1.3 Unlicensed Activity.** From at least 2014 through 2016, the relevant time period, Respondents Infinity and  
5 D'Arco (hereinafter Respondents) were offering residential mortgage loan modification services to Washington  
6 consumers on property located in Washington State. Respondents entered into contractual relationships with at  
7 least 85 Washington consumers, collecting in advance legal retainer fees of more than \$195,000 for the provision  
8 of those services. The Department has received at least one complaint from a Washington consumer alleging  
9 Respondents provided or offered to provide residential mortgage loan modification services while not licensed by  
10 the Department. That consumer, KMcC, paid Respondents \$2,514 in advance fees for those services.

11 **1.4 Misrepresentations and Omissions.** Respondents represented that they were licensed to provide the  
12 residential mortgage loan modification services or omitted disclosing that they were not licensed to provide those  
13 services. Respondent D'Arco further represented that he was licensed to practice law in Washington or omitted to  
14 disclose that he was not licensed to practice law in Washington.

15 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
16 Respondents continues to date.

## 17 **II. GROUNDS FOR ENTRY OF ORDER**

18 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006, "Mortgage Broker"  
19 means, in part, any person who, for direct or indirect compensation or gain, or in the expectation of direct or  
20 indirect compensation or gain (a) performs residential mortgage loan modification services or (b) holds himself or  
21 herself out as being able to provide residential mortgage loan modification services. Pursuant to WAC 208-660-  
22 006, a person "holds himself or herself out" by advertising or otherwise informing the public that they engage in  
23 any of the activities of a mortgage broker.

24 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006, "loan originator"  
25 means, in part, a natural person who, for direct or indirect compensation or gain, or in the expectation of direct or  
26



1 indirect compensation or gain, performs residential mortgage loan modification services or holds himself or  
2 herself out as being able to perform residential mortgage loan modification services.

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

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

9 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual Allegations set  
10 forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1) for engaging in the  
11 business of a loan originator without first obtaining and maintaining a license.

12 **2.6 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in Section I above,  
13 Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1015 (Regulation O) for taking  
14 advance fees for loan modification services.

### 15 III. AUTHORITY TO IMPOSE SANCTIONS

16 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the Director may  
17 issue orders directing any person subject to the Act to cease and desist from conducting business.

18 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may issue orders  
19 prohibiting from participation in the conduct of the affairs of a licensed mortgage broker any person subject to the  
20 Act for any violation of the Act.

21 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order restitution  
22 against any person subject to the Act for any violation of the Act.

23 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines against any  
24 person subject to the Act for any violation of the Act.

1 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-550 (4)(a),  
2 the Department will charge forty-eight dollars per hour for an examiner's time devoted to an investigation of any  
3 person subject to the Act.

4 **3.6 Authority to Recover Costs and Expenses of Prosecution.** Pursuant to RCW 19.146.221(2), the Director  
5 may recover the state's costs and expenses for prosecuting violations of the Act.

#### 6 **IV. NOTICE OF INTENT TO ENTER ORDER**

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

10 **4.1** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
11 R. D'Arco cease and desist engaging in the business of a mortgage broker or loan originator.

12 **4.2** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
13 R. D'Arco be prohibited from participation, in any manner, in the conduct of the affairs of any mortgage  
14 broker subject to licensure by the Director for a period of five years.

15 **4.3** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
16 R. D'Arco jointly and severally pay restitution to the consumers identified by the Department in  
17 Appendix A to this Statement of Charges in the amount set forth therein, and that Respondent The Law  
18 Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas R. D'Arco jointly and  
19 severally pay restitution to every other Washington consumer with whom they entered into a contract for  
20 residential mortgage loan modification services related to real property or consumers located in the state  
21 of Washington equal to the amount collected from that Washington consumer for those services in an  
22 amount to be determined at hearing.

23 **4.4** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
24 R. D'Arco jointly and severally pay a fine, which as of the date of this Statement of Charges totals  
25 \$255,000.

26 **4.5** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
27 R. D'Arco jointly and severally pay an investigation fee, which as of the date of this Statement of Charges  
28 totals \$500.00.

29 **4.6** Respondent Thomas R. D'Arco maintain records in compliance with the Act and provide the Department  
30 with the location of the books, records and other information relating to Respondents' provision of  
31 residential mortgage loan modification services in Washington, and the name, address and telephone  
32 number of the individual responsible for maintenance of such records in compliance with the Act.

33 **4.7** Respondent The Law Offices of Thomas R. D'Arco, d/b/a Infinity Legal Group, and Respondent Thomas  
34 R. D'Arco jointly and severally pay the Department's costs and expenses for prosecuting violations of the  
35 Act in an amount to be determined at hearing or, event of default by Respondents, by Declaration with  
36 supporting documentation.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221,  
3 RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of the Administrative Procedure Act,  
4 RCW 34.05. Respondents may each make a written request for a hearing as set forth in the NOTICE OF  
5 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of  
6 Charges.

7  
8 Dated this 31<sup>st</sup> day of January, 2017.

9  
10 /s/  
11 CHARLES E. CLARK  
12 Director, Division of Consumer Services  
13 Department of Financial Institutions

14  
15  
16 Presented by:

Approved by:

17 /s/  
18 ANTHONY W. CARTER  
19 Senior Legal Examiner

/s/  
STEVEN C. SHERMAN  
Enforcement Chief