

ORDER SUMMARY – Case Number: C-16-2109

Name(s): Trinity Financial Services LLC dba T Financial Services LLC;
Don Allen Madden III

Order Number: C-16-2109-17-CO01

Effective Date: 10/20/17

License Number: Trinity #1266631; Madden #1264083

License Effect: None

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

Investigation Costs	\$14,000	Due:12/01/17	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date:
Fine	\$5,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
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:			

Comments: Update NMLS Disclosures within 7 days of entry.

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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
Consumer Loan Act of Washington by:

No. C-16-2109-17-CO01

CONSENT ORDER

TRINITY FINANCIAL SERVICES, LLC d/b/a
T FINANCIAL SERVICES, LLC,
NMLS # 1266631, and DON ALLEN MADDEN
III, President, NMLS #1264083

Respondents.

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COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and Trinity Financial Services, LLC d/b/a T Financial Services LLC (Respondent Trinity) and Don Allen Madden III, President of Respondent Trinity, 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 31.04 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 Temporary Order to Cease and Desist No. C-16-2109-16-TC01 (Temporary Order) entered December 30, 2016, and Statement of Charges No. C-16-2109-17-SC01 (Statement of Charges), entered April 13, 2017 (copy of each attached hereto). Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter may be

1 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent
2 Order to fully resolve the Temporary Order and Statement of Charges.

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

11 C. **Consumer Loan Company License Required.** It is AGREED that Respondents
12 understand that in order to service residential mortgage loans in Washington State, Respondents must
13 obtain a consumer loan company license in accordance with the Act or qualify for an exemption from
14 licensing as delineated in the Act. It is further AGREED that Respondents will not perform
15 residential mortgage loan servicing in Washington State until such time as Respondents obtain a
16 license in accordance with the Act or qualify for an exemption from licensing as delineated in the
17 Act.

18 D. **Disclosure Answers.** It is AGREED that, within seven business days of service of this
19 Consent Order, Respondents will update all relevant Disclosure Answers through the Nationwide
20 Multistate Licensing System to reflect entry of this Consent Order. It is further AGREED that the
21 updates shall be in the format required by the Department.

22 E. **Application for Consumer Loan Company License.** It is AGREED that the entry of
23 this Consent Order will not preclude Respondents from obtaining a consumer loan company license

1 pursuant to Respondent Trinity's pending consumer loan company license application with the
2 Department. It is further AGREED that upon payment to the Department of the sums required under
3 paragraphs F and G of this Consent Order, SO LONG AS all requirements under chapter 31.04 RCW
4 and 208-620 WAC are satisfactorily met and the application is complete as determined by the
5 Department, the Department will process Respondent Trinity's pending consumer loan company
6 license application in due course. The Department will timely notify Respondents of any additional
7 licensing requirements. Respondents agrees to timely respond to any such notice.

8 **F. Fine.** It is AGREED that Respondents shall jointly and severally pay a fine to the
9 Department in the amount of \$10,000.00 with \$5,000.00 of the fine suspended pending completion of
10 the terms of this Consent Order. Respondents shall pay \$5,000.00 of the fine in the form of a
11 cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent Order.
12 The suspended \$5,000.00 shall be waived one year after entry of this Consent Order if Respondents
13 timely complete all terms of this Consent Order.

14 **G. Investigation and Prosecution Fee.** It is AGREED that Respondents shall jointly and
15 severally pay to the Department an investigation and prosecution fee of \$14,000.00. The fee shall be
16 paid in five monthly installments of \$2,800.00 due by the first business day of each month, with the
17 first payment due no later than December 1, 2017. Each payment shall be in the form of a cashier's
18 check made payable to the "Washington State Treasurer."

19 **H. Authority to Execute Order.** It is AGREED that the undersigned have represented and
20 warranted that they have the full power and right to execute this Consent Order on behalf of the
21 parties represented.

22 **I. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
23 abide by the terms and conditions of this Consent Order may result in further legal action by the

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

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

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

7
8 **RESPONDENTS:**

Trinity Financial Services, LLC d/b/a T Financial Services, LLC
9 By:

10 /s/
11 Don A. Madden III
12 President

10/6/2017
Date

13 /s/
14 Don A. Madden III
15 Individually

10/6/2017
Date

16 Approved for Entry:

17 /s/
18 Mike S. DeLeo
19 Attorney for Respondents
20 Peterson Russell Kelly PLLC

10/6/2017
Date

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THIS ORDER ENTERED THIS 20th DAY OF October, 2017.

/s/ _____
CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

AMANDA J. HERNDON
Financial Legal Examiner

Approved by:

/s/ _____
STEVEN C. SHERMAN
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 Consumer Loan Act of Washington by:

7 TRINITY FINANCIAL SERVICES, LLC d/b/a
8 T FINANCIAL SERVICES, LLC,
9 NMLS # 1266631, and DON ALLEN MADDEN
10 III, President, NMLS #1264083

11 Respondents.

No. C-16-2109-17-SC01

12 STATEMENT OF CHARGES and
13 NOTICE OF INTENT TO ENTER AN
14 ORDER TO CEASE AND DESIST, TAKE
15 AFFIRMATIVE ACTION, DENY LICENSE
16 APPLICATION, PROHIBIT FROM
17 INDUSTRY, IMPOSE FINE, COLLECT
18 INVESTIGATION FEE and RECOVER
19 COSTS AND EXPENSES

20 INTRODUCTION

21 Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial
22 Institutions of the State of Washington (Director) is responsible for the administration of chapter
23 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to
24 RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the
Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes
this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Trinity Financial Services, LLC d/b/a T Financial Services, LLC (Respondent Trinity) has never been licensed by the Department to engage in the business of a consumer loan company under the Act. Respondent Trinity submitted an application to engage in the business of a consumer loan company on or about November 4, 2015, and the application is still pending.

B. Don Madden III (Respondent Madden) has at all relevant times been president of Respondent Trinity. Respondent Madden has never been licensed by the Department to engage in the business of a consumer loan company under the Act.

1 **1.2 Prior Action.** On August 30, 2016, the Department and Respondents entered into Consent
2 Order No. C-16-1928-16-CO01 (Consent Order). In the Consent Order, the Department found that
3 Respondent Trinity serviced seventeen residential mortgage loans secured by real property located in
4 Washington State (Residential Mortgage Loans) without a consumer loan company license.
5 Respondents agreed in the Consent Order that they understood that, to service Residential Mortgage
6 Loans, they must obtain a consumer loan company license in accordance with the Act or qualify for
7 an exemption from licensing as delineated in the Act.

8 **1.3 Unlicensed Residential Mortgage Loan Servicing.** At the time of Respondents' application
9 in November 2015, Respondents held the servicing rights to about thirty-seven Residential Mortgage
10 Loans; however, Respondents' representations to the Department at the time of their license
11 application was that Respondents had actively serviced seventeen of those loans.¹ While the prior
12 action (C-16-1928) was pending, Respondent obtained the servicing rights to three additional
13 Residential Mortgage Loans; and by January 31, 2017, had serviced at least forty Residential
14 Mortgage Loans without a license to do so.

15 **1.4 Untimely Responses to Licensing Requests.** As a condition of the Consent Order,
16 Respondents also agreed to timely respond to any requests from the Department related to the
17 continuing processing of Respondents' license application. On at least two occasions since the date
18 of the Consent Order, Respondents have not timely provided responses to Department inquiries;
19 resulting in the continued delay in processing Respondents' application.

20 **1.5 Temporary Order to Cease and Desist.** On or about December 30, 2016, the Department
21 entered Temporary Order to Cease and Desist No. C-16-2109-16-TD01 (Temporary Order) against
22 Respondents. The Temporary Order alleged that Respondents violated the Consent Order by not
23

24 ¹ The Department was unaware at the time C-16-1928-16-CO01 was entered that Respondents held the servicing rights to more than the seventeen loans identified in Respondents' application.

1 timely responding to a request by the Department related to the continued processing of the license
 2 application and that Respondents continued to engage in the business of residential mortgage loan
 3 servicing without a license to do so. The Temporary Order is still pending.

4 **1.6 Failure to Properly Answer Disclosure Questions.** Applicants and the officers of
 5 applicants must answer disclosure questions and certify that those answers are current, true, and
 6 complete. Since the entry of the Consent Order, Respondents have failed to properly answer one or
 7 more disclosure questions related to the Consent Order. Since the entry of the Temporary Order,
 8 Respondents have failed to properly answer one or more questions related to the Temporary Order.
 9 As of the date of this Statement of Charges, Respondents’ answers to the following questions are
 10 not current, true, and complete:

<u>Respondent</u>	<u>Disclosure Question</u>	<u>Answer Provided</u>
Respondent Trinity	(C)(2) In the past 10 years, has any State . . . regulatory agency . . . ever . . . found the entity . . . to have been involved in a violation of a financial-services related regulation(s) or statute(s)?	No
Respondent Trinity	(E) Is there a pending regulatory action proceeding against the entity . . . for any alleged violation described in (C) . . . ?	No
Respondent Madden	(M) Based upon activities that occurred while you exercised control over an organization, has any State . . . regulatory agency . . . ever taken any of the actions listed in (K) through (L) above against any organization?	No
Respondent Madden	(N) Is there a pending regulatory action proceedings against you for any alleged violation described in (K) through (L)?	No
Respondent Madden	(O) Based upon activities that occurred while you exercised control over an organization, is there a pending regulatory action proceeding against any organized for any alleged violation described in (K) through (L)?	No

21 **1.7 On-Going Investigation.** The Department’s investigation into the alleged violations of the Act
 22 by Respondents continues to date.

1 **II. GROUNDS FOR ENTRY OF ORDER**

2 **2.1 Failure to Comply with Consent Order.** Based on the Factual Allegations set forth in
3 Section I above, Respondent are in apparent violation of RCW 31.04.093(2) for failing to comply
4 with an Order issued by the Director.

5 **2.2 Unlicensed Activity.** Based on the Factual Allegations set forth in Section I above,
6 Respondents are in apparent violation of RCW 31.04.027(2) and RCW 31.04.035 for servicing
7 residential mortgage loans without first obtaining and maintaining a license in accordance with the
8 Act or meeting an exclusion from the Act under RCW 31.04.025.

9 **2.3 Requirement to Properly Answer Disclosure Questions.** Based on the Factual Allegations
10 set forth in Section I above, Respondents are in apparent violation of RCW 31.04.027(2) and (8) and
11 WAC 208-620-490(2)(i) for failure to properly answer disclosure questions.

12 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual
13 Allegations set forth in Section I above, Respondent Trinity fails to meet the requirement of RCW
14 31.04.055(e) that the character and general fitness of the applicant are such as to command the
15 confidence of the community and to warrant a belief that the business will be operated honesty,
16 fairly, and efficiently within the purposes of the Act.

17 **III. AUTHORITY TO IMPOSE SANCTIONS**

18 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
19 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
20 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
21 violates any provision of the Act.

22 **3.2 Authority to Order Affirmative Action.** Pursuant to RCW 31.04.093(5)(b), the Director
23 may issue an order directing a licensee, its employee, loan originator, or other person subject to the
24 Act to take such affirmative action as is necessary to comply with the Act.

1 **3.3 Authority to Deny License Application.** Pursuant to RCW 31.04.093(2)(a) and (b), the
2 Director may deny applications for licenses for failure of the applicant to demonstrate within its
3 application for a license that it meets the requirements for licensing in RCW 31.04.055 and violation
4 of an Order issued by the Director under the Act.

5 **3.4 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
6 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
7 employee, mortgage loan originator, or any other person subject to the Act for Failure to comply with
8 any Order issued under this chapter or failure to obtain a license for activity that requires a license.

9 **3.5 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
10 up to one hundred dollars per day, per violation, upon the licensee, its employee, or any other person
11 subject to the Act for any violation of the Act or failure to comply with any Order issued by the
12 Director under the Act.

13 **3.6 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3), RCW
14 31.04.015(12), and WAC 208-620-610(7), licensees and every person who fails to obtain a license as
15 required by the chapter who is investigated by the Director or the Director's designee shall pay for
16 the cost of the investigation, calculated at the rate of \$69.01 per staff hour devoted to the
17 investigation.

18 **3.7 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
19 may recover the state's costs and expenses for prosecuting violations of the Act.

20 **3.8 Recordkeeping Requirement.** Pursuant to RCW 31.04.155 and RCW 31.04.015(12),
21 licensees and every person who fails to obtain a license as required by the chapter shall preserve the
22 books, accounts, records, appears, documents, files, and other information relevant to a loan for at
23 least three years after making the final entry on a loan.

1 **IV. NOTICE OF INTENT TO ENTER ORDER**

2 Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
3 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
4 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW
5 34.04.202, and RCW 31.04.205. Therefore, it is the Director's intent to ORDER that:

- 6 **4.1** Respondents Trinity Financial Services, LLC and Don Allen Madden III cease and
7 desist from engaging in the business of a consumer loan company within thirty days of
8 entry of this order.
- 9 **4.2** Respondents Trinity Financial Services, LLC and Don Allen Madden III take
10 affirmative action to transfer the servicing of all residential mortgage loans secured by
11 property in Washington State that Respondents are currently servicing to a residential
12 mortgage loan servicer that is licensed as a consumer loan company or exempt from
13 licensure within thirty days of entry of this order.
- 14 **4.3** Respondent Trinity Financial Services, LLC's application for a consumer loan
15 company license be denied.
- 16 **4.4** Respondents Trinity Financial Services, LLC and Don Allen Madden III be prohibited
17 from participation in the conduct of the affairs of any consumer loan company subject
18 to licensure by the Director, in any manner, for a period of five years.
- 19 **4.5** Respondents Trinity Financial Services, LLC and Don Allen Madden III jointly and
20 severally pay a fine. As of the date of this Statement of Charges, the fine totals
21 \$30,000.00.
- 22 **4.6** Respondents Trinity Financial Services and Don Allen Madden III jointly and
23 severally pay an investigation fee. As of the date of this Statement of Charges, the
24 investigation fee totals \$2,308.38.
- 4.7** Respondents Trinity Financial Services LLC and Don Allen Madden III pay the
Department's costs and expenses for prosecuting violations of the Act in an amount to
be determined at hearing or by declaration with supporting documentation in event of
default by Respondent.
- 4.8** Respondents Trinity Financial Services LLC and Don Allen Madden III maintain
records in compliance with the Act and provide the Department with the location of
the books, records and other information relating to Respondents' consumer loan
business, and the name, address and telephone number of the individual responsible
for maintenance of such records in compliance with the Act.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist, Take
3 Affirmative Action, Deny License Application, Prohibit from Industry, Impose Fine, Collect
4 Investigation Fee, and Recover Costs and Expenses (Statement of Charges) is entered pursuant to the
5 provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject
6 to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may
7 make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY FOR
8 ADJUDICATIVE HEARING AND TO DEFEND accompanying this Statement of Charges.

9
10 Dated this 13th day of April, 2017

11 _____
12 /s/
13 CHARLES E. CLARK
14 Director
15 Division of Consumer Services
16 Department of Financial Institutions

17 Presented by:

18 _____
19 /s/
20 AMANDA J. HERNDON
21 Financial Legal Examiner

22 Approved by:

23 _____
24 /s/
STEVEN C. SHERMAN
Enforcement Chief

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

4 IN THE MATTER OF DETERMINING
5 Whether there has been a violation of the
6 Consumer Loan Act of Washington by:

NO. C-16-2109-16-TD01

7 TRINITY FINANCIAL SERVICES, LLC d/b/a
8 T FINANCIAL SERVICES, LLC,
9 NMLS # 1266631, and
10 DON ALLEN MADDEN III, President,
11 NMLS #1264083

TEMPORARY ORDER TO
CEASE AND DESIST

Respondents.

12 THE STATE OF WASHINGTON TO: Trinity Financial Services, LLC
13 Don Allen Madden III

14 COMES NOW the Acting Director of the Washington State Department of Financial
15 Institutions (Director), by and through her designee Charles E. Clark, Division Director, Division of
16 Consumer Services, and finding that the public is likely to be substantially injured by delay in
17 issuing a cease and desist order, enters this temporary order to cease and desist pursuant to chapter
18 31.04 RCW, the Consumer Loan Act (Act), based on the following:

19 **I. FACTUAL ALLEGATIONS**

20 **1.1 Respondents.**

21 A. **Trinity Financial Services, LLC dba T Financial Services, LLC (Respondent**
22 **Trinity)** submitted an application to the Department to engage in the business of a consumer
23 loan company under the Act on or about November 4, 2015. The application is still pending.

24 B. **Don Madden III (Respondent Madden)** has at all relevant times been president
25 of Respondent Trinity.

1 **1.2 Enforcement Action.** In their November 4, 2015, license application, Respondents
2 disclosed they had been servicing 17 Washington residential mortgage loans without the license
3 required to do so and provided the Department with a list of those loans. On August 30, 2016,
4 the Department and Respondents entered into Consent Order C-16-1928-16-CO01 to address and
5 resolve the unlicensed residential mortgage loan servicing. In the Consent Order, Respondents
6 agreed they understood that in order to service residential mortgage loans secured by real
7 property located in the state of Washington, they must obtain a consumer loan license in
8 accordance with the Act or qualify for an exemption from licensing as delineated in the Act.
9 Respondent Trinity also agreed to timely respond to any requests by the Department related to
10 the continued processing of its consumer loan license application.
11

12 **1.3 Failure to Comply with Consent Order – License Application.** On or about August
13 30, 2016, the Consumer Services Licensing Unit resumed processing Respondents’ consumer
14 loan license application. On or about November 1, 2016, Respondents were requested to update
15 disclosures on NMLS to disclose C-16-1980-16-CO01, but to date Respondents have not
16 updated the disclosure; further delaying the issuance of their license.
17

18 **1.4 Failure to Comply with Consent Order - Unlicensed Residential Mortgage Loan**
19 **Servicing.** On or about December 20, 2016, a Washington State consumer contacted the
20 Department about correspondence that she received from Respondent Trinity. The
21 correspondence was dated December 8, 2016, and related to the collection of payments on the
22 consumer’s residential mortgage loan. This loan was not included in the list of loans being
23 serviced by Respondents; indicating that Respondents have taken on the servicing of additional
24 Washington residential mortgage loans without a license to do so.
25

1 **1.5 Risk of Injury to the Public.** Respondents' continued unlicensed activity and failure to
2 comply with C-16-1980-16-CO01 pose an imminent risk of substantial injury to the public.

3 **II. GROUNDS FOR ENTRY OF ORDER**

4 **2.1** Based on the Factual Allegations set forth in Section I above, Respondents are in
5 apparent violation of RCW 31.04.093(2) for failing to comply with an Order issued by the
6 Director.

7 **2.2** Based on the Factual Allegations set forth in Section I above, Respondents are in
8 apparent violation of RCW 31.04.035(1) for servicing residential mortgage loans without first
9 obtaining and maintaining a license in accordance with the Act or qualifying for an exemption to
10 the licensure requirement delineated in RCW 31.04.025.

11 **2.3** Based on the Factual Allegations set forth in Section I above, Respondents are apparent
12 violation of RCW 31.04.027(2) for engaging in any unfair or deceptive practice toward any
13 person by holding themselves out as lawfully permitted to service Washington residential
14 mortgage loans or by failing to disclose they are not licensed to do so..

15 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

16 **3.1 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW
17 31.04.093(8), the Director may issue a temporary order to cease and desist whenever the Director
18 determines that the public is likely to be substantially injured by delay in issuing a cease and
19 desist order. The order may direct the licensee to discontinue any violation of the Act, to take
20 such affirmative action as is necessary to comply with the Act, and may include a summary
21 suspension of the licensee's license and may order the licensee to immediately cease the conduct
22 of business under the Act. The order becomes effective at the time specified in the order.
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1 **IV. DETERMINATION AND ORDER**

2 Based on the above Factual Allegations, Grounds for Entry of Order, and Authority to
3 Issue Temporary Order to Cease and Desist, and pursuant to RCW 31.04.093 and RCW
4 31.04.165, the Director determines that the public is likely to be substantially injured by delay in
5 issuing a cease and desist order. Therefore, the Director ORDERS that:

6 **4.1** Respondents shall immediately cease and desist from acquiring, assuming,
7 contracting for, or otherwise taking on any additional servicing of residential mortgage loans
8 secured by an interest real property located in Washington State unless and until it obtains and
9 maintains a license in accordance with the Act or qualifies for an exemption to the licensure
10 requirement delineated in RCW 31.04.025.

11 **4.2** Respondents shall immediately provide the Department with a complete list of all
12 Washington residential mortgage loans for which they provide servicing activities as of the date
13 of this Order; including the name of the borrower, the residence address, and the date servicing
14 rights were acquired.

15 **4.3** Respondents shall immediately cease and desist from responding to Licensing
16 requests in an untimely manner.

17 **4.4** This order shall take effect immediately and shall remain in effect unless set
18 aside, limited, or suspended in writing by an authorized court.

19 **NOTICE**

20 **PURSUANT TO CHAPTER 31.04 RCW, YOU ARE ENTITLED TO A HEARING TO**
21 **DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU DESIRE**
22 **A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR**
23 **ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE. A**

1 HEARING WILL BE HELD WITHIN FOURTEEN (14) DAYS OF RECEIPT OF A
2 REQUEST FOR HEARING UNLESS OTHERWISE SPECIFIED IN CHAPTER 34.05 RCW.
3 FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE
4 HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL
5 INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE THAT THIS ORDER WAS
6 SERVED ON YOU WILL CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF
7 YOUR RIGHT TO A HEARING. SERVICE ON YOU IS DEFINED AS POSTING IN THE U.S.
8 MAIL, POSTAGE PREPAID, TO YOUR LAST KNOWN ADDRESS. BE ADVISED THAT
9 DEFAULT WILL RESULT IN THIS ORDER TO CEASE AND DESIST BECOMING
10 PERMANENT ON THE TWENTY-FIRST (21ST) DAY FOLLOWING SERVICE OF THIS
11 ORDER UPON YOU.

13
14 WITHIN TEN DAYS AFTER YOU HAVE BEEN SERVED WITH THIS
15 TEMPORARY ORDER TO CEASE AND DESIST, YOU MAY APPLY TO THE SUPERIOR
16 COURT IN THE COUNTY OF YOUR PRINCIPAL PLACE OF BUSINESS FOR AN
17 INJUNCTION SETTING ASIDE, LIMITING, OR SUSPENDING THIS ORDER PENDING
18 THE COMPLETION OF THE ADMINISTRATIVE PROCEEDINGS PURSUANT TO THIS
19 NOTICE.

20 DATED this 30th day of December, 2016.

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23 /s/ _____
24 CHARLES E. CLARK
25 Director
Division of Consumer Services
Department of Financial Institutions

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Presented by:

AMANDA J. HERNDON
Financial Legal Examiner

Approved by:

/s/_____
STEVEN C. SHERMAN
Enforcement Chief