

ORDER SUMMARY – Case Number: C-17-2153

Name: Sean Ferrero d/b/a Nationwide Rapid Refunds Corporation,
Nationwide Rapid Refunds Corp., Nationwide Rapid Refunds,
iwillsaveyourhome.com

Order Number: C-17-2153-18-FO01

Effective Date: 7/24/18

NMLS Identifier [U/L] NMLS # 826265

License Effect: N/A (UNLICENSED)

Not Apply Until: 7/23/2028

Not Eligible Until: 7/23/2028

Prohibition/Ban Until: 7/23/2028

Investigation Costs	\$ 1,725.60	Due 8/22/18	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$ 10,000.00	Due 8/22/18	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Refunds	\$5,240.00	Due 8/22/18	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$9,097.99	Due 8/22/18	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
	No. of Victims:	1		

Comments:

Respondent is ordered to cease and desist from engaging in the business of a mortgage broker or loan originator.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

No.: C-17-2153-18-FO01

SEAN FERRERO, Sole Proprietor, NMLS # 826265,
d/b/a NATIONWIDE RAPID REFUNDS
CORPORATION, NATIONWIDE RAPID
REFUNDS CORP., NATIONWIDE RAPID
REFUNDS, and IWILLSAVEYOURHOME.COM,

FINAL ORDER

Respondent.

I. DIRECTOR'S CONSIDERATION

Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington ("Director"), pursuant to RCW 34.05.440(2). On January 5, 2018, the Director, through her designee, Consumer Services Division Director Charles E. Clark, issued a Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist Business, Prohibit from Industry, Order Refunds, Impose Fine, Collect Investigation Fee, an Recover Costs and Expenses ("Statement of Charges") against Sean Ferrero d/b/a Nationwide Rapid Refunds Corporation, Nationwide Rapid Refunds Corp., Nationwide Rapid Refunds, and iwillsaveyourhome.com ("Respondent"). On January 9, 2018, the Department of Financial Institution ("Department") served Respondent with the Statement of Charges and accompanying documents, sent by First-Class mail and Federal Express overnight delivery. The Statement of Charges was accompanied by a cover letter dated January 9, 2018, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent. On

1 January 18, 2018, Respondent filed an Application for Adjudicative Hearing.¹ On January 22, 2018,
2 the Department made a request to the Office of Administrative Hearings (“OAH”) to assign an
3 Administrative Law Judge (“ALJ”) to schedule and conduct a hearing on the Statement of Charges.
4 On February 2, 2018, OAH issued a Notice of Prehearing Conference assigning ALJ Terry A. Schuh
5 (“ALJ Schuh”) to preside over prehearing and hearing proceedings and issue an Initial Decision.

6 On February 22, 2018, ALJ Schuh issued an Order Granting Continuance and Notice of
7 Prehearing Conference rescheduling the prehearing conference on Thursday, March 8, 2018, at 10:00
8 a.m.

9 On Thursday, March 8, 2018, all parties attended a telephonic prehearing conference. On
10 March 19, 2018 ALJ Schuh issued a Prehearing Conference Order scheduling a hearing on
11 Respondent’s motion to dismiss for Tuesday, April 17, 2018, at 1:00 p.m. That Order stated, “If you
12 do not participate in any stage of the proceedings or if you fail to appear at your hearing, you may be
13 held in default. This means you lose the right to a hearing and your appeal will be dismissed. RCW
14 34.05.440.”

15 On March 19, 2018, ALJ Schuh also issued a Note of Motion Hearing scheduling a motion
16 hearing for Tuesday, April 17, 2018, at 1:00 p.m. The Note of Motion Hearing stated, “You must
17 call in to the motion hearing. If you fail to call in, the administrative law judge may hold you in
18 default and dismiss your appeal. RCW 34.05.440(2).”

19 A motion hearing was convened by ALJ Schuh on April 17, 2018, at 1:00 p.m. Respondent
20 failed to appear and the Department moved for an order of default dismissing the administrative
21 appeal. On April 23, 2018, ALJ Schuh issued an Order Dismissing Appeal – Default (“Order of
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24 ¹ The Department received an Application for Adjudicative Hearing dated January 19, 2018, by electronic mail on January 18, 2018.

1 Default”) dismissing Respondent’s administrative appeal. On April 23, 2018, ALJ Schuh sent the
2 Order of Default to Respondent via First-Class mail.

3 Pursuant to RCW 34.05.440(3), Respondent had seven (7) days from the date of service of the
4 Order of Default to file a written motion with OAH requesting that the Order of Default be vacated,
5 and stating the grounds relied upon. Respondent did not make a request to vacate during the statutory
6 period.

7 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent had twenty (20) days from the
8 date of service of the Order of Default to file a Petition for Review of the Order of Default.
9 Respondent did not file a Petition for Review during the statutory period.

10 A. Record Presented. The record presented to the Director for her review and for entry of
11 a final decision included the following:

- 12 1. Statement of Charges, cover letter dated January 9, 2018, and Notice of
13 Opportunity to Defend and Opportunity for Hearing, with documentation of
service.
- 14 2. Application for Adjudicative Hearing for Sean Ferrero
- 15 3. Request to OAH for Assignment of Administrative Law Judge.
- 16 4. Notice of Prehearing Conference dated February 2, 2018, with documentation of
17 service.
- 18 5. Order Granting Continuance and Notice of Prehearing Conference dated February
22, 2018, with documentation of service.
- 19 6. Prehearing Conference Order dated March 19, 2018, with documentation of
20 service.
- 21 7. Notice of Motion Hearing dated March 19, 2018, with documentation of service.
- 22 8. Order Dismissing Appeal – Default dated April 23, 2018, with documentation of
service.
- 23 9. Declaration of Amanda Herndon dated July 6, 2018.

1 B. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(2), the Director
2 hereby adopts the Statement of Charges, which is attached hereto.

3 II. FINAL ORDER

4 Based upon the foregoing, and the Director having considered the record and being otherwise
5 fully advised, NOW, THEREFORE:

6 A. IT IS HEREBY ORDERED, That:

- 7 1. Respondent Sean Ferrero cease and desist engaging in the business of a mortgage
8 broker and mortgage loan originator.
- 9 2. Respondent Sean Ferrero is prohibited from participation, in any manner, in the
10 conduct of the affairs of any mortgage broker subject to licensure by the Director
11 for a period of ten years.
- 12 3. Respondent Sean Ferrero pay refunds to Washington State consumer R.T. in the
13 amount \$5,240.00 and to each Washington State consumer with whom Respondent
14 entered into a contract for residential mortgage loan modification services and
15 each consumer with whom he entered into a contract for residential mortgage loan
16 modification services related to real property in State Washington, within thirty
17 (30) days of receipt of this order.
- 18 4. Respondent Sean Ferrero pay to the Washington State Department of Financial
19 Institutions, within thirty (30) days of receipt of this order, a fine of 10,000.00.
- 20 5. Respondent Sean Ferrero pay to the Washington State Department of Financial
21 Institutions, within thirty (30) days of receipt of this order, an investigation fee of
22 \$1,725.60.
- 23 6. Respondent Sean Ferrero maintain records in compliance with the Act and, within
24 thirty (30) days of receipt of this order, provide the Department with the location
of the books, records and other information relating to Respondent's provision of
residential mortgage loan modification services in Washington, and the name,
address and telephone number of the individual responsible for maintenance of
such records in compliance with the Act.
7. Respondent Sean Ferrero pay to the Washington State Department of Financial
Institutions, within thirty (30) days of receipt of this order, costs and expenses for
prosecuting violations of the Act of \$9,097.99.²

² The combined fine, investigation fee, and costs and expenses of prosecution may be paid together in the form of a
cashier's check in the amount of \$20,823.59 made payable to the "Washington State Treasurer."

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 has determined not to consider a Petition to Stay the
12 effectiveness of this order. Any such requests should be made in connection with a Petition for
13 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 Respondent does not comply with the terms of this
18 order, including payment of any amounts owed within thirty (30) days of receipt of this order, the
19 Department may seek its enforcement by the Office of the Attorney General to include the collection
20 of the fines, fees, costs, and refunds imposed herein. The Department also may assign the amounts
21 owed to a collection agency for collection.

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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.

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5 DATED this 24th day of July, 2018.

6
7 STATE OF WASHINGTON
8 DEPARTMENT OF FINANCIAL INSTITUTIONS

9 /s/ _____
10 GLORIA PAPIEZ
11 Director

1 entered into a contractual relationship with at least one Washington consumer to provide those
2 services. Washington State consumer R.T. paid Respondent an advance fee of \$5,240.00 for the
3 provision of those services.

4 **1.3 Misrepresentations and Omissions to Consumers.** Respondent represented that he
5 was licensed to provide the residential mortgage loan modification services or omitted
6 disclosing that he was not licensed to provide those services.

7 **1.4 Failure to Comply with Investigative Authority.** On or about May 18, 2017, the
8 Department served a subpoena duces tecum on Respondent. The subpoena duces tecum
9 required Respondent to answer the question, “Are you currently or have you ever provided or
10 offered to provide mortgage loan modification services . . . for properties or consumers located
11 in the state of Washington?” Respondent answered “no” to the question and certified under
12 penalty of perjury that the information provided was true and correct. The subpoena duces
13 tecum also required Respondent provide a list of all transactions in which Respondent provided
14 loan modification services for properties or consumers located in the state of Washington. To
15 date Respondent has not provided the list as required by the subpoena duces tecum.

16 **1.5 On-Going Investigation.** The Department’s investigation into the alleged violations of
17 the Act by Respondent continues to date.

18 II. GROUNDS FOR ENTRY OF ORDER

19 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14), "Mortgage broker"
20 means any person who for direct or indirect compensation or gain, or in the expectation of direct
21 or indirect compensation or gain performs residential mortgage loan modification services or
22 holds himself or herself out as being able to provide residential mortgage loan modification
23 services.

1 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11)(b), "Loan originator"
2 means a natural person who for direct or indirect compensation or gain or in the expectation of
3 direct or indirect compensation or gain performs residential mortgage loan modification
4 services or holds himself or herself out as being able to perform residential mortgage loan
5 modification services.

6 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above,
7 Respondent is in apparent violation of RCW 19.146.0201(2), (3), and (8) for engaging in an
8 unfair or deceptive practice toward any person, obtaining property by fraud or
9 misrepresentation, and negligently making any false statement or knowingly and willfully
10 making any omission of material fact in connection with any investigation conducted by the
11 Department.

12 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the
13 Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW
14 19.146.200(1) for engaging in the business of a mortgage broker for Washington residents or
15 property without first obtaining a license to do so.

16 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
17 Allegations set forth in Section I above, Respondent is in apparent violation of RCW
18 19.146.200(1) for engaging in the business of a loan originator without first obtaining and
19 maintaining a license.

20 **2.6 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth
21 in Section I above, Respondent is in apparent violation of RCW 19.146.0201(11) and 12 C.F.R.
22 § 1015.5 for taking advance fees for loan modification services.

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(3),
3 the Director may issue orders directing any person subject to the Act to cease and desist from
4 conducting business.

5 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director
6 may issue orders prohibiting from participation in the conduct of the affairs of a licensed
7 mortgage broker any person subject to licensing under the Act for any violation of the Act.

8 **3.3 Authority to Order Refunds.** Pursuant to RCW 19.146.220(2), the Director may order
9 refunds against any person subject to the Act for any violation of the Act.

10 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose
11 fines against any person subject to the Act for any violation of the Act.

12 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC
13 208-660-550(4)(a), the Department will charge \$48 per hour for an examiner’s time devoted to
14 an investigation of any person subject to the Act.

15 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the
16 Director may recover the state’s costs and expenses for prosecuting violations of the Act.

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

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

21 **4.1** Respondent Sean Ferrero cease and desist engaging in the business of a mortgage
22 broker and mortgage loan originator.

23 **4.2** Respondent Sean Ferrero be prohibited from participation, in any manner, in the
24 conduct of the affairs of any mortgage broker subject to licensure by the Director
for a period of ten years.

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- 4.3** Respondent Sean Ferrero pay a refund to Washington State consumer R.T. in the amount of \$5,240.00 and to each Washington State consumer with whom Respondent entered into a contract for residential mortgage loan modification services and each consumer with whom he entered into a contract for residential mortgage loan modification services related to real property in State Washington equal to the amount collected from those consumer for those services in an amount to be determined at hearing.
- 4.4** Respondent Sean Ferrero pay a fine, which as of the date of this Statement of Charges totals \$10,000.00
- 4.5** Respondent Sean Ferrero pay an investigation fee, which as of the date of this Statement of Charges totals \$1,725.60.
- 4.6** Respondent Sean Ferrero maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondents' provision of residential mortgage loan modification services in Washington, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.
- 4.7** Respondent Sean Ferrero 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.

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1 **V. AUTHORITY AND PROCEDURE**

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

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8 Dated this 5th day of January, 2018.

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

15 Presented by:

16 /s/
17 AMANDA J. HERNDON
18 Financial Legal Examiner

19 Approved by:

20 /s/
21 STEVEN C. SHERMAN
22 Enforcement Chief