

ORDER SUMMARY – Case Number: C-17-2322

Name(s): Dilcia A. Mercedes

Order Number: C-17-2322-19-FO01

Effective Date: 3/29/19

License Number: Unlicensed NMLS ID: 1852304
Or NMLS Identifier [U/L]

License Effect:

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: Permanent Prohibition

Investigation Costs	\$		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	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments:

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
Consumer Loan Act of Washington by:

5 DILCIA A. MERCEDES,

6 Respondent.

No.: C-17-2322-19-FO01

FINAL ORDER

7 **I. DIRECTOR'S CONSIDERATION**

8 A. Default. This matter has come before the Director of the Department of Financial
9 Institutions of the State of Washington (Director), through her designee, Consumer Services Division
10 Director Charles E. Clark (Director's designee), pursuant to RCW 34.05.440(1). On February 15,
11 2019, the Director, through the Director's designee, issued a Statement of Charges and Notice of
12 Intention to Enter an Order to Cease and Desist, Prohibit from Industry, and Recover Costs and
13 Expenses (Statement of Charges) against Dilcia A. Mercedes (Respondent). A copy of the Statement
14 of Charges is attached and incorporated into this order by this reference. The Statement of Charges
15 was accompanied by a cover letter dated February 20, 2019, a Notice of Opportunity to Defend and
16 Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent
17 (collectively, accompanying documents).

18 On February 20, 2019, the Department served Respondent with the Statement of Charges and
19 accompanying documents by First-Class mail and Federal Express overnight delivery. On February
20 25, 2019, the documents sent by Federal Express overnight delivery were delivered. The documents
21 sent by First-Class mail were not returned to the Department by the United States Postal Service.

22 Respondent did not request an adjudicative hearing within twenty calendar days after the
23 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for

1 in WAC 208-08-050(2).

2 B. Record Presented. The record presented to the Director's designee for his review and
3 for entry of a final decision included the Statement of Charges, cover letter dated February 20, 2019,
4 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for
5 Adjudicative Hearing for Respondent, with documentation for service.

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

8 II. FINAL ORDER

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

11 A. IT IS HEREBY ORDERED, That:

- 12 1. Respondent Dilcia A. Mercedes cease and desist from violating the Consumer
13 Loan Act.
14 2. Respondent Dilcia A. Mercedes is permanently prohibited from participation in the
15 conduct of the affairs of any consumer loan company subject to licensure by the
16 Director.

17 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
18 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
19 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
20 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
21 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
22 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
23 Reconsideration a prerequisite for seeking judicial review in this matter.

24 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the
date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a

1 written notice specifying the date by which it will act on a petition.

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

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

8 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial
9 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
10 attached hereto.

11 DATED this 29th day of March, 2019.

12 STATE OF WASHINGTON
13 DEPARTMENT OF FINANCIAL INSTITUTIONS

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15 /s/
16 CHARLES E. CLARK
17 Director
18 Division of Consumer Services

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
Consumer Loan Act of Washington by:

5 DILCIA A. MERCEDES,

6 Respondent.

No. C-17-2322-19-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST,
PROHIBIT FROM INDUSTRY, and
RECOVER COSTS AND EXPENSES

7 **INTRODUCTION**

8 Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial
9 Institutions of the State of Washington (Director) is responsible for the administration of chapter
10 31.04 RCW, the Consumer Loan Act (Act).¹ After having conducted an investigation pursuant to
11 RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the
12 Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes
13 this proceeding and finds as follows:

14 **I. FACTUAL ALLEGATIONS**

15 **1.1 Respondent. Dilcia A. Mercedes (Respondent)** was an employee of a Washington
16 consumer loan company licensee from at least December 2014 to May 2017. Respondent has never
17 been licensed by the Department.

18 **1.2 Misappropriation of Borrower Funds.** From approximately December 2014 through May
19 2017, Respondent misappropriated approximately \$2.1 million in monies earmarked for mortgage
20 escrow account refunds, which included funds owed to Washington State residents.

21 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the
22 Act by Respondent continues to date.
23

24 ¹ The Act was amended effective June 7, 2018. All citations to the Act herein are to the version effective prior to that date.

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

2 **2.1 Scheme, Device, or Artifice to Defraud or Mislead.** Based on the Factual Allegations set
3 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(1) for directly or
4 indirectly employing any scheme, device, or artifice to defraud or mislead any borrower, to defraud
5 or mislead any lender, or to defraud or mislead any person.

6 **2.2 Unfair or Deceptive Practice.** Based on the Factual Allegations set forth in Section I above,
7 Respondent is in apparent violation of RCW 31.04.027(2) for directly or indirectly engaging in any
8 unfair or deceptive practice toward any person.

9 **2.3 Obtaining Property by Fraud or Misrepresentation.** Based on the Factual Allegations set
10 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(3) for directly or
11 indirectly obtaining property by fraud or misrepresentation.

12 **III. AUTHORITY TO IMPOSE SANCTIONS**

13 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
14 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
15 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
16 violates any provision of the Act.

17 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
18 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
19 employee, mortgage loan originator, or any other person subject to the Act for a violation of RCW
20 31.04.027.

21 **3.3 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
22 may recover the state’s costs and expenses for prosecuting violations of the Act.

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

2 Respondent’s 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** Respondent Dilcia A. Mercedes cease and desist from violating the Act.

7 **4.2** Respondent Dilcia A. Mercedes be permanently prohibited from any manner of
8 participation in the conduct of the affairs of any consumer loan company subject to
licensure by the Director.

9 **4.3** Respondent Dilcia A. Mercedes pay the Department’s costs and expenses for
10 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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