

Terms Completed

ORDER SUMMARY – Case Number: C-19-2687

Name(s): Guaranteed Rate, Inc.

Order Number: C-19-2687-20-CO01

Effective Date: 2/28/20

License Number: NMLS: 2611

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$ 1,900		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/25/20
Fine	\$ 15,000		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/25/20
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
5 Whether there has been a violation of the
6 Consumer Loan Act of Washington by:

No.: C-19-2687-20-CO01

7 **GUARANTEED RATE, INC., NMLS No. 2611,**
8 **ADAM WAYNE CANTER, NMLS No. 140873,**
9 **and CHRISTI JO VAL, NMLS No. 167206,**

**CONSENT ORDER AS TO GUARANTEED
RATE, INC.**

Respondents.

10 COMES NOW the Director of the Department of Financial Institutions (Director), through his
11 designee Lucinda Fazio, Division of Consumer Services Director, and Guaranteed Rate, Inc.
12 (Respondent GRI), and finding that the issues raised in the above-captioned matter may be
13 economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is
14 entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW 34.05.060
15 of the Administrative Procedure Act, based on the following:

16 **AGREEMENT AND ORDER**

17 The Department of Financial Institutions, Division of Consumer Services (Department) and
18 Respondent GRI have agreed upon a basis for resolution of the matters alleged in Statement of
19 Charges No. C-19-2687-19-SC01 (Statement of Charges), entered November 27, 2019, (copy
20 attached hereto) solely as related to Respondent GRI. Pursuant to chapter 31.04 RCW, the Consumer
21 Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent GRI hereby
22 agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the
23 above-captioned matter may be economically and efficiently settled by entry of this Consent Order
24 solely as related to Respondent GRI. The parties intend this Consent Order to fully resolve the
Statement of Charges solely as related to Respondent GRI.

Based upon the foregoing:

CONSENT ORDER
C-19-2687-20-CO01
GUARANTEED RATE, INC.

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

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

3 **B. Waiver of Hearing.** It is AGREED that Respondent GRI has been informed of the right
4 to a hearing before an administrative law judge, and hereby waives its right to a hearing and any and
5 all administrative and judicial review of the issues raised in this matter, or of the resolution reached
6 herein. Accordingly, Respondent GRI, by the signatures of its representatives below, withdraws its
7 appeal to the Office of Administrative Hearings.

8 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the
9 Statement of Charges solely as related to Respondent GRI and agree that Respondent GRI neither
10 admits nor denies any wrongdoing by its entry.

11 **D. Fine.** It is AGREED that Respondent GRI shall pay a fine to the Department in the
12 amount of \$15,000, in the form of a cashier's check made payable to the "Washington State
13 Treasurer," upon entry of this Consent Order.

14 **E. Investigation Fee.** It is AGREED that Respondent GRI shall pay to the Department an
15 investigation fee of \$1,900, in the form of a cashier's check made payable to the "Washington State
16 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee shall be paid together in
17 one \$16,900 cashier's check made payable to the "Washington State Treasurer."

18 **F. Refunds.** It is AGREED that Respondent GRI shall refund all nonthird-party fees charged
19 in connection with the origination of residential mortgage loans, as well as all fees and interest
20 charged in the making of nonresidential loans, to all Washington borrowers who paid such fees or
21 interest with respect to loans originated, in whole or in part, by individuals working for Respondent
22 GRI who were not licensed at the time the individuals were working on the loans.

23 **G. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the

1 consent of any person or entity not a party to this Consent Order to take any action concerning their
2 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
3 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,
4 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

5 **H. Complete Cooperation with the Department.** It is AGREED that, upon written request
6 by the Department, Respondent GRI shall provide the Department truthful and complete sworn
7 statements with respect to the activities Adam Wayne Canter and Christi Jo Val, and any and all
8 persons involved or in any way associated with Adam Wayne Canter and Christi Jo Val, including
9 but not limited to owners, employees, independent contractors, agents, businesses and persons with
10 whom Adam Wayne Canter and Christi Jo Val dealt, communicated, or otherwise related. The
11 “sworn statements” may take the form of affidavits, declarations, or deposition testimony, at the
12 Department’s discretion. In addition to providing sworn statements, it is AGREED that, upon written
13 request by the Department, Respondent GRI shall cooperate fully, truthfully, and completely with the
14 Department and provide any and all information known to its agents relating in any manner to Adam
15 Wayne Canter and Christi Jo Val and any and all persons involved or in any way associated with
16 Adam Wayne Canter and Christi Jo Val, including but not limited to owners, employees, independent
17 contractors, agents, businesses and persons with whom Adam Wayne Canter and Christi Jo Val dealt,
18 communicated, or otherwise related. It is further AGREED that, upon written request by the
19 Department, Respondent GRI shall provide any and all documents, writings or materials, or objects
20 or things of any kind in its possession or under its care, custody, or control that it is authorized to
21 possess, obtain, or distribute relating directly or indirectly to all areas of inquiry and investigation. It
22 is further AGREED that a representative of Respondent GRI shall testify fully, truthfully, and
23 completely at any and all proceedings related to any Department investigation or enforcement action

1 or both related to any and all persons involved or in any way associated with Adam Wayne Canter
2 and Christi Jo Val, and any respondents named therein. A failure to cooperate fully, truthfully, and
3 completely is a breach of this Consent Order.

4 **I. Authority to Execute Order.** It is AGREED that the undersigned have represented and
5 warranted that they have the full power and right to execute this Consent Order on behalf of the
6 parties represented.

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

11 **K. Voluntarily Entered.** It is AGREED that Respondent GRI has voluntarily entered into
12 this Consent Order, which is effective when signed by the Director's designee.

13 **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondent GRI has
14 read this Consent Order in its entirety and fully understands and agrees to all of the same.

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

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1 **RESPONDENT:**

2 Guaranteed Rate, Inc., by:

3 /s/
4 Nikolaos Athanasiou
5 Chief Operating Officer

2-20-2020
Date

6 Approved for Entry:

7 /s/
8 Michelle L. Rogers, Attorney at Law
9 Buckley, LLP
10 Attorney for Respondent Guaranteed Rate, Inc.

February 19, 2020
Date

11 **DO NOT WRITE BELOW THIS LINE**

12 THIS ORDER ENTERED THIS 28th DAY OF February, 2020.

13 /s/
14 Lucinda Fazio, Director
15 Division of Consumer Services
16 Department of Financial Institutions

17 Presented by:

18 /s/
19 DREW STILLMAN
20 Financial Legal Examiner

21 Approved by:

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

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 GUARANTEED RATE, INC., NMLS No. 2611,
6 ADAM WAYNE CANTER, NMLS No. 140873,
and CHRISTI JO VAL, NMLS No. 167206,

7 Respondents.

No. C-19-2687-19-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST,
SUSPEND AND REVOKE LICENSES,
PROHIBIT FROM INDUSTRY, IMPOSE
FINES, COLLECT INVESTIGATION FEE,
REFUND FEES AND INTEREST, and
RECOVER COSTS AND EXPENSES

8 **INTRODUCTION**

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

15 **I. FACTUAL ALLEGATIONS**

16 **1.1 Respondents.**

17 **A. Guaranteed Rate, Inc. (Respondent GRI)** was licensed by the Department of
18 Financial Institutions of the State of Washington (Department) to conduct business as a consumer
19 loan company on or about June 4, 2008, and continues to be licensed to date.

20 **B. Adam Wayne Canter (Respondent Canter)** was a loan originator and branch
21 manager for Respondent GRI between July 2018 and August 2019. Respondent Canter was licensed
22 by the Department to conduct business as a loan originator on or about June 28, 2013, and continued
23 to be licensed until he surrendered his license on April 16, 2019.

1 forth in Section I above, Respondent Val is in apparent violation of RCW 31.04.221 for engaging in
2 the business of a mortgage loan originator without first obtaining a license from the Department.

3 **2.3 Aiding and Abetting Unlicensed Practice.** Based on the Factual Allegations set forth in
4 Section I above, Respondent GRI and Respondent Canter are in apparent violation of RCW
5 31.04.175(1) and WAC 208-620-570(8) for aiding or abetting an unlicensed person to practice in
6 violation of the Act.

7 **2.4 Prohibited Representation.** Based on the Factual Allegations set forth in Section I above,
8 Respondent Val and Respondent GRI are in apparent violation of RCW 31.04.027(1)(b) and WAC
9 208-620-630(5) for engaging in any unfair or deceptive practice toward any person by claiming that
10 Respondent GRI offered the lowest rates.

11 **2.5 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above,
12 Respondents are in apparent violation of RCW 31.04.027(1)(a), (b), and (m) for directly or indirectly
13 employing any scheme, device, or artifice to defraud or mislead any person; for engaging in any
14 unfair or deceptive practice toward any person; and for violating any applicable state or federal law
15 relating to the activities governed by the Act.

16 **2.6 Requirement to Conduct Business in a Manner that is not Injurious or Illegal.** Based on
17 the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
18 31.04.165 by conducting business in an injurious manner that creates a reasonable likelihood of a
19 violation of any provision of the Act.

20 III. AUTHORITY TO IMPOSE SANCTIONS

21 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.165 and RCW
22 31.04.093(5)(a), the Director may issue orders directing a licensee, its employee, loan originator, or
23 other person subject to the Act to cease and desist from conducting business in a manner that is
24 injurious to the public or violates any provision of the Act.

1 **3.2 Authority to Revoke or Suspend License.** Pursuant to RCW 31.04.093(3), the Director may
2 revoke or suspend a license for knowingly or without the exercise of due care violating any provision
3 of the Act or any rule adopted under the Act, or if a fact or condition exists that, if it had existed at
4 the time of the original application for the license, would have allowed the director to deny the
5 application for the original license.

6 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
7 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
8 employee, mortgage loan originator, or any other person subject to the Act for a violation of RCW
9 31.04.027, including a violation of any applicable state or federal law relating to activities governed
10 by the Act.

11 **3.4 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
12 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
13 any other person subject to the Act for any violation of the Act.

14 **3.5 Authority to Charge Examination Fee and Investigation Fee.** Pursuant to RCW
15 31.04.145(3), WAC 208-620-590, and WAC 208-620-610(7), every licensee examined or
16 investigated by the Director or the Director's designee shall pay for the cost of the examination or
17 investigation, calculated at the rate of \$69.01 per staff hour devoted to the examination or
18 investigation, and shall pay travel costs if the licensee maintains its records outside the state.

19 **3.6 Authority to Order Refund of Fees and Interest.** Pursuant to RCW 31.04.035(2) and RCW
20 31.04.093(5), the Director may issue an order directing the refund of fees and interest charged in a
21 transaction violating the Act.

22 **3.7 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
23 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 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 Guaranteed Rate, Inc., Adam Wayne Canter, and Christi Jo Val cease
7 and desist from engaging in all conduct in violation of the Act.
- 8 **4.2** Respondent Guaranteed Rate, Inc.'s license to conduct the business of a consumer
9 loan company be suspended for a period of one year.
- 10 **4.3** Respondent Adam Wayne Canter's license to conduct the business of a mortgage loan
11 originator be revoked.
- 12 **4.4** Respondent Christi Jo Val's license to conduct the business of a mortgage loan
13 originator be revoked.
- 14 **4.5** Respondent Guaranteed Rate, Inc. be prohibited from the participation in the conduct
15 of the affairs of any consumer loan company subject to licensure by the Director, in
16 any manner, for a period of one year.
- 17 **4.6** Respondent Adam Wayne Canter be prohibited from the participation in the conduct
18 of the affairs of any consumer loan company subject to licensure by the Director, in
19 any manner, for a period of five years.
- 20 **4.7** Respondent Christi Jo Val be prohibited from the participation in the conduct of the
21 affairs of any consumer loan company subject to licensure by the Director, in any
22 manner, for a period of five years.
- 23 **4.8** Respondent Guaranteed Rate, Inc. pay a fine. As of the date of this Statement of
24 Charges, this fine totals \$10,000.
- 4.9** Respondent Adam Wayne Canter pay a fine. As of the date of this Statement of
Charges, this fine totals \$5,000.
- 4.10** Respondent Christi Jo Val pay a fine. As of the date of this Statement of Charges, this
fine totals \$1,000.
- 4.11** Respondent Guaranteed Rate, Inc. refund all nonthird-party fees charged in connection
with the origination of residential mortgage loans, as well as all fees and interest
charged in the making of nonresidential loans, to all Washington borrowers who paid
such fees or interest with respect to loans originated, in whole or in part, by

1 individuals working for Respondent Guaranteed Rate, Inc. who were not licensed at
2 the time the individuals were working on the loans.

3 **4.12** Respondents Guaranteed Rate, Inc., Adam Wayne Canter, and Christi Jo Val jointly
4 and severally pay an investigation fee. As of the date of this Statement of Charges, the
5 investigation fee totals \$1,900.

6 **4.13** Respondents Guaranteed Rate, Inc., Adam Wayne Canter, and Christi Jo Val maintain
7 records in compliance with the Act and provide the Department with the location of
8 the books, records and other information relating to Respondents' consumer loan
9 business, and the name, address and telephone number of the individual responsible
10 for maintenance of such records in compliance with the Act.

11 **4.14** Respondents Guaranteed Rate, Inc., Adam Wayne Canter, and Christi Jo Val pay the
12 Department's costs and expenses for prosecuting violations of the Act in an amount to
13 be determined at hearing or by declaration with supporting documentation in event of
14 default by one or more Respondents.

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1 **V. AUTHORITY AND PROCEDURE**

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

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11 Dated this 27th day of November, 2019.

12
13 /s/ _____
14 RICHARD ST. ONGE
15 Acting Director
16 Division of Consumer Services
17 Department of Financial Institutions

18 Presented by:

19 /s/ _____
20 DREW STILLMAN
21 Financial Legal Examiner

22 Approved by:

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