

Terms Completed

ORDER SUMMARY – Case Number: C-22-3416

Name: Note Servicing Center, Inc.

Order Number: C-22-3416-22-CO01

Effective Date: September 6, 2022

License Number: NMLS No. 270925

License Effect: NA

Not Apply Until: NA

Not Eligible Until: NA

Prohibition/Ban Until: NA

Investigation Costs	\$ N/A		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$ 1,500.00		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 9/1/2022
Assessment(s)	\$ NA		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$ NA		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$ N/A		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$ NA		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments:

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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-22-3416-22-CO01

CONSENT ORDER

Note Servicing Center, Inc.,
NMLS No. 270925,

Respondent.

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Lucinda Fazio, Director, Division of Consumer Services, and Note Servicing Center, Inc., (Respondent), 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 Revised Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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FINDINGS OF FACT

1.1 On or about October 21, 2021, Respondent submitted an application to the Department of Financial Institutions of the State of Washington (Department) to engage in the business of a consumer loan company under the Act. Respondent had not previously been licensed to conduct any business under the Act.

1.2 In furtherance of their license application, Respondent self-reported that at the moment of their application, Respondent was servicing Washington State residential mortgage loans. In the twelve months preceding the date of the application, Respondent serviced at least five such loans.

CONCLUSIONS OF LAW

1 **2.1** Based on the above Findings of Fact, Respondent violated RCW 31.04.035 by engaging in the
2 business of a consumer loan company in the state of Washington without first obtaining and
3 maintaining a license in accordance with the Act or meeting an exclusion from the Act under RCW
4 31.04.025.

5 **AGREEMENT AND ORDER**

6 The Department and Respondent have agreed upon a basis for resolution of the Findings of
7 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
8 RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further
9 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
10 Consent Order.

11 Based on the foregoing:

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

14 **B. Waiver of Hearing.** It is AGREED that Respondent hereby waives any right it has to a hearing
15 and any and all administrative and judicial review of the issues raised in this matter or the resolution
16 reached herein.

17 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the matters
18 alleged herein and agree that Respondent neither admits nor denies any wrongdoing by its entry.

19 **D. Consumer Loan License Required.** Subject to Paragraph G of this Consent Order, it is
20 AGREED that Respondent understands that in order to service any Washington State residential
21 mortgage loan accounts or make loans to Washington State residents, Respondent must obtain a
22 consumer loan license in accordance with the Act or qualify for an exemption from licensing as
23 delineated in the Act. It is FURTHER AGREED that Respondent provided the Department with

1 assurance that Respondent would not accept any new Washington State residential mortgage loan
2 servicing accounts or accept any new applications for loans until such time as Respondent obtains a
3 license in accordance with the Act.

4 **E. Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
5 \$1,500.00, in the form of a cashier's check made payable to the "Washington State Treasurer" upon
6 delivery of this Consent Order, properly dated and signed.

7 **F. Records Retention.** It is AGREED that Respondent, its officers, employees, and agents shall
8 maintain records in compliance with the Act and provide the Director with the location of the books,
9 records, and other information relating to Respondent's consumer loan business conducted prior to
10 licensure, and the name, address, and telephone number of the individual responsible for maintenance
11 of such records in compliance with the Act.

12 **G. Application for Consumer Loan License.** It is AGREED that the entry of this Consent
13 Order will not preclude Respondent from obtaining a consumer loan license pursuant to Respondent's
14 pending consumer loan license application with the Department. It is FURTHER AGREED that
15 upon payment to the Department of the sum required under Paragraph E of this Consent Order, SO
16 LONG AS all requirements under chapter 31.04 RCW and 208-620 WAC are satisfactorily met and
17 the application is complete as determined by the Department, the Department will process
18 Respondent's pending consumer loan license application in due course. Respondent will be timely
19 notified of any additional licensing requirements. Respondent agrees to timely respond to any such
20 requests.

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

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I. Voluntarily Entered. It is AGREED that Respondent has voluntarily entered into this Consent Order, which is effective when signed by the Director’s designee.

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

K. Authority to Execute Order. It is AGREED that the undersigned authorized representative have represented and warranted that they have the full power and right to execute this Consent Order on behalf of Respondent.

P. Counterparts. This Consent Order may be executed by the Respondent in any number of counterparts, 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 which, taken together, shall constitute one and the same Consent Order.

RESPONDENT:
Note Servicing Center

By:

 /s/
Thomas Standen IV
President

 8/30/2022
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 6th DAY OF September, 2022.

CONSENT ORDER
C-22-3416-22-CO01
NOTE SERVICING CENTER

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



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3 /s/ _____
4 LUCINDA FAZIO, Director
5 Division of Consumer Services
6 Department of Financial Institutions

7 Presented by:

8 /s/ _____
9 ANDRES E. BATISTA
10 Financial Legal Examiner

11 Approved by:

12
13 /s/ _____
14 JACK McCLELLAN
15 Enforcement Chief