

ORDER SUMMARY – Case Number: C-12-1052-13

Name(s): The Credit Relief Group, Inc. d/b/a The Credit Relief Group and
Louis Meyer

Order Number: C-12-1052-13-CO01

Effective Date: March 4, 2013

License Number: U/L
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect:

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: 5 year ban

Investigation Costs	\$202	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/25/13
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	\$2995	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/25/13
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:		1		

Comments:

RECEIVED

FEB 27 2013

CONSUMER SERVICES DIVISION
DEPT OF FINANCIAL INSTITUTIONS
OLYMPIA, WASHINGTON

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

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

No.: C-12-1052-13-CO01

CONSENT ORDER

THE CREDIT RELIEF GROUP, INC. D/B/A
THE CREDIT RELIEF GROUP, and
LOUIS MEYER, Designated Officer,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and The Credit Relief Group, Inc. d/b/a The Credit Relief Group, and Louis Meyer, Designated Officer (Respondents), 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 19.146 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 Statement of Charges No. C-12-1052-12-SC01 (Statement of Charges), entered September 27, 2012, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices 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 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent

1 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the
2 Statement of Charges in consideration of the terms of this Consent Order.

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 the signatures below, withdraw their appeal to the Office of
10 Administrative Hearings.

11 C. **No Admission of Liability.** It is AGREED that Respondents do not admit to any
12 wrongdoing by entry of this Consent Order.

13 D. **Cease and Desist.** It is AGREED that Respondents shall cease and desist from
14 conducting the business of a mortgage broker in the state of Washington.

15 E. **Prohibition from Industry.** It is AGREED that, for a period of five years from the date
16 of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the
17 conduct of the affairs of any mortgage broker licensed by the Department or subject to licensure or
18 regulation by the Department.

19 F. **Restitution.** It is AGREED that Respondents have paid restitution of \$2,995 to consumer
20 [REDACTED] as identified in paragraph 1.3 of the Statement of Charges.

21 G. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
22 investigation fee of \$202, in the form of a cashier's check made payable to the "Washington State
23 Treasurer," upon entry of this Consent Order.

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

4 I. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
5 abide by the terms and conditions of this Consent Order may result in further legal action by the
6 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
7 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

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

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

12 **RESPONDENTS:**

13 **The Credit Relief Group, Inc. d/b/a The Credit Relief Group**

14 By:

15 [Redacted Signature]

16 Louis Meyer
Designated Officer

2/25/2013
Date

17 [Redacted Signature]

18 Louis Meyer
Individually

2/25/2013
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 4th DAY OF March, 2013



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



DEVON P. PHELPS
Financial Legal Examiner

Approved by:



CHARLES E. CLARK
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
Mortgage Broker Practices Act of Washington by:

5 THE CREDIT RELIEF GROUP, INC. D/B/A THE
6 CREDIT RELIEF GROUP, and
LOUIS MEYER, Designated Officer,

7 Respondents.

No. C-12-1052-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO PRODUCE RECORDS,
CEASE AND DESIST BUSINESS,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
COLLECT INVESTIGATION FEE

8 INTRODUCTION

9 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial
10 Institutions of the State of Washington (Director) is responsible for the administration of chapter
11 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation pursuant
12 to RCW 19.146.235, 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 Director Deborah Bortner, institutes
14 this proceeding and finds as follows:

15 I. FACTUAL ALLEGATIONS

16 **1.1 Respondent** The Credit Relief Group, Inc. D/B/A The Credit Relief Group (Respondent Credit
17 Relief) has never been licensed by the Department of Financial Institutions of the State of Washington
18 (Department) to conduct business as a mortgage broker or loan originator.

19 **1.2 Respondent** Louis Meyer (Respondent Meyer) is Designated Officer of Respondent Credit
20 Relief. During the relevant time period, Respondent Meyer was not licensed by the Department to
21 conduct business as a mortgage broker or loan originator.

22 **1.3 Unlicensed Activity.** On or about July 29, 2009, Respondents Credit Relief and Meyer
23 (Respondents) were offering residential mortgage loan modification services to Washington
24 consumers on property located in Washington State. Respondents entered into a contractual

1 relationship with at least one Washington consumer to provide those services and collected an advance
2 fee for the provision of those services. The Department has received at least one complaint from a
3 Washington consumer alleging Respondents provided or offered to provide residential mortgage loan
4 modification services while not licensed by the Department to provide those services. Consumer [REDACTED]
5 paid Respondents a fee of \$2,995.

6 **1.4 Misrepresentations and Omissions.** Respondents represented that they were licensed to
7 provide the residential mortgage loan modification services or omitted disclosing that they were not
8 licensed to provide those services.

9 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
10 Act by Respondents continues to date.

11 II. GROUNDS FOR ENTRY OF ORDER

12 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
13 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
14 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
15 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
16 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a
17 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among
18 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

19 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a
20 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
21 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
22 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
23 any of these activities.

1 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
2 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
3 toward any person and obtaining property by fraud or misrepresentation.

4 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
5 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
6 for engaging in the business of a mortgage broker for Washington residents or property without first
7 obtaining a license to do so.

8 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
10 for engaging in the business of a loan originator without first obtaining and maintaining a license.

11 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
12 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
13 location that is on file with and readily available to the Department until at least twenty-five months
14 have elapsed following the effective period to which the books and records relate.

15 III. AUTHORITY TO ORDER PRODUCTION OF RECORDS

16 **3.1 Authority to Order Production of Records.** Pursuant to RCW 19.146.223, RCW 19.146.
17 235(2), and WAC 208-660-520, the Director may issue orders directing any person to produce books,
18 accounts, records, files, and any other documents the director or designated person deems relevant to
19 an investigation.

20 IV. AUTHORITY TO IMPOSE SANCTIONS

21 **4.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
22 Director may issue orders directing any person subject to the Act to cease and desist from conducting
23 business.
24

1 **4.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
2 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
3 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
4 (13), or RCW 19.146.200.

5 **4.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
6 restitution against any person subject to the Act for any violation of the Act.

7 **4.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
8 against any person subject to the Act for any violation of the Act.

9 **4.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
10 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted
11 to an investigation of any person subject to the Act.

12 V. NOTICE OF INTENT TO ENTER ORDER

13 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
14 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
15 and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

16 **5.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

17 **5.2** Respondents provide the Department with a list detailing all residential mortgage loan
18 modification services transactions with Washington consumers, including the name, address,
19 and phone numbers of the consumers, the transaction date, and fees collected by Respondents
20 for the provision of those services.

21 **5.3** Respondents be prohibited from participation in the conduct of the affairs of any mortgage
22 broker subject to licensure by the Director, in any manner, for a period of five years.

23 **5.4** Respondents jointly and severally pay restitution to the consumer identified by the Department
24 in paragraph 1.3 as having paid \$2,995 to Respondents, and that Respondents jointly and
severally pay restitution to each Washington consumer with whom they entered into a contract
for residential mortgage loan modification services related to real property or consumers
located in the state of Washington equal to the amount collected from that Washington
consumer for those services in an amount to be determined at hearing.

1 5.5 Respondents jointly and severally pay a fine of \$3,000 for each residential loan modification
2 transaction entered into with Washington consumers. As of the date of this Statement of
Charges, the fine totals \$3,000.

3 5.6 Respondents jointly and severally pay an investigation fee at the rate of \$48.00 per hour. As of
4 the date of this Statement of Charges, the investigation fee totals \$202.

5 5.7 Respondents maintain records in compliance with the Act and provide the Department with the
6 location of the books, records and other information relating to Respondents' provision of
7 residential mortgage loan modification services in Washington, and the name, address and
8 telephone number of the individual responsible for maintenance of such records in compliance
9 with the Act.

VI. AUTHORITY AND PROCEDURE

10 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
11 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
12 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
13 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
14 accompanying this Statement of Charges.

15 Dated this 27th day of September, 2012.

16 [Redacted Signature] _____
17 DEBORAH BORTNER
18 Director, Division of Consumer Services
19 Department of Financial Institutions

20 Presented by:

21 [Redacted Signature] _____
22 DEVON P. PHELPS
23 Financial Legal Examiner

24 Approved by:

[Redacted Signature] _____
CHARLES E. CLARK
Enforcement Chief