

ORDER SUMMARY – Case Number: C-12-1103

Name(s): RMA Legal Network and Rory M. Alarcon

Order Number: C-12-1103-14-CO01

Effective Date: May 19, 2014

License Number: N/A
Or NMLS Identifier [U/L] _____

License Effect: Prohibition for ten years from date of entry

Not Apply Until: May 19, 2024

Not Eligible Until: May 19, 2024

Prohibition/Ban Until: May 19, 2024

Investigation Costs	\$1,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 5/7/2014
Fine	\$799	Due 4/8/15	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$3,201	Due 4/8/15	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
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:				

Comments: _____

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**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:

RMA LEGAL NETWORK and RORY M.
ALARCON,

Respondents.

No.: C-12-1103-14-CO01

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Deborah Bortner, Division Director, Division of Consumer Services, and RMA Legal
Network (Respondent RMA) and Rory M. Alarcon, Principal (Respondent Alarcon), 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-12-1103-13-SC01 (Statement of Charges), entered March 28, 2013, (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
Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the
Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

CONSENT ORDER
C-12-1103-14-CO14
RMA LEGAL NETWORK and RORY M. ALARCON

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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 Respondents have been informed of the right to a
4 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached
6 herein. Accordingly, Respondents, by their signatures below, withdraw their appeal to the Office of
7 Administrative Hearings.

8 **C. Prohibition from Industry.** It is AGREED that, for a period of ten years from the date of
9 entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the
10 conduct of the affairs of any mortgage broker or consumer loan company licensed by the Department
11 or subject to licensure or regulation by the Department.

12 **D. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
13 \$799, in the form of a cashier's check made payable to the "Washington State Treasurer" no later
14 than April 8, 2015.

15 **E. Restitution.** It is AGREED that Respondents shall pay restitution to consumer T.C. in the
16 amount of \$3,201 no later than April 8, 2015.

17 **F. Confession of Judgment for Fine and Restitution.** It is AGREED that Respondents
18 provided the Department with a Declaration of Financial Condition comprehensively describing their
19 current financial condition. Respondents have satisfactorily demonstrated their inability to presently
20 pay the restitution and fine agreed to in this Consent Order. The Department has accepted a
21 Confession of Judgment from Respondents identifying the Department as the judgment creditor for
22 the fine of \$799 as agreed to in Paragraph D of this Consent Order. A copy of this Confession of
23 Judgment is attached and incorporated into this Consent Order by this reference. It is further

1 AGREED that the Department has accepted a Confession of Judgment from Respondents identifying
2 consumer T.C. as the judgment creditor for the restitution agreed to in Paragraph E of this Consent
3 Order. A copy of the Confession of Judgment is attached and incorporated into this Consent Order
4 by this reference.

5 **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
6 investigation fee of \$1,000, in the form of a cashier's check made payable to the "Washington State
7 Treasurer," upon entry of this Consent Order.

8 **H. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the
9 consent of any person or entity not a party to this Consent Order to take any action concerning their
10 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
11 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,
12 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

13 **I. Change of Address.** It is AGREED that for the duration of the period this Consent Order
14 is in effect, unless otherwise agreed to in writing by the Department, Respondent Alarcon shall
15 provide the Department with a mailing address and telephone number at which Respondents can be
16 contacted and Respondent Alarcon shall notify the Department in writing of any changes to
17 Respondents' mailing address or telephone number within fifteen days of any such change.

18 **J. Records Retention.** It is AGREED that Respondents, its officers, employees, and agents
19 shall maintain records in compliance with the Act and provide the Director with the location of the
20 books, records and other information relating to Respondents' mortgage broker business, and the
21 name, address and telephone number of the individual responsible for maintenance of such records in
22 compliance with the Act.

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

10 **N. 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 RMA Legal Network and Rory M. Alarcon

14 By:

14 

15 Rory M. Alarcon
16 Principal

4/23/14
Date

17 

18 Rory M. Alarcon
19 Individually

4/23/14
Date

21 **DO NOT WRITE BELOW THIS LINE**

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1 THIS ORDER ENTERED THIS 19th DAY OF May, 2014.



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4 DEBORAH BORTNER
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by:



9 DEBORAH TAELLIUS
10 Financial Legal Examiner



11 Approved by:



12 CHARLES E. CLARK
13 Enforcement Chief

1 Pursuant to Chapter 4.60 of the Revised Code of Washington, Judgment by Confession,
2 defendants RMA Legal Network and Rory M. Alarcon hereby authorize entry of a judgment
3 under the following terms:

4 **Factual Basis for Judgment**

5 The State of Washington, Department of Financial Institutions, and RMA Legal
6 Network and Rory M. Alarcon have agreed upon a basis for resolution of the matters alleged in
7 Statement of Charges No. C-12-1103-13-SC01 (Statement of Charges), entered March 28, 2013.
8 RMA Legal Network and Rory M. Alarcon have agreed to enter into a Confession of
9 Judgment, pursuant to chapter 4.60 RCW, under which the obligations and liabilities of each of
10 them shall be joint and several, in the amount of \$799.00 fine, which shall be paid to the
11 Department of Financial Institutions.

12 **Authorization for Entry of Judgment**

13 I, Rory M. Alarcon, being duly sworn upon oath, acknowledge my debt and the debt of
14 RMA Legal Network of \$799.00 to the Department of Financial Institutions and I authorize
15 entry of judgment against RMA Legal Network and Rory M. Alarcon, and for the amount set
16 forth in the judgment summary above.

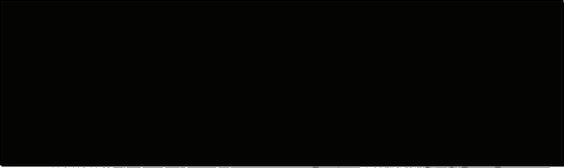
17 DATED this 28th day of April, 2014.

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19 
20 Rory M. Alarcon

21 SUBSCRIBED AND SWORN TO before me in Hempstead, New York this
22 28 day of April, 2014.

23
24 PETER A. CAPARELLI
NOTARY PUBLIC, State of New York
No. 30-4671906
Qualified in Nassau County
Commission Expires

5/31/14

25 
Notary Public in and for the State of
New York, residing at East Islip,
New York.
My Commission expires: 5/31/14

26 DFI CASE NO.: C-12-1103-14-CO01

CONFESSION OF JUDGMENT
RMA LEGAL NETWORK and
RORY M. ALARCON

1 **Order for Entry**

2 The above Confession of Judgment having been presented to this Court for entry in
3 accordance with RCW 4.60.070, the Court having found said Confession of Judgment to be
4 sufficient, now, therefore, it is hereby

5 ORDERED that the Clerk of this Court shall forthwith enter Judgment against RMA
6 Legal Network and Rory M. Alarcon, in accordance with the terms of the Confession of
7 Judgment.

8 DONE IN OPEN COURT this _____ day of _____, 2014.

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11 JUDGE/COURT COMMISSIONER
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**STATE OF WASHINGTON
THURSTON COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,
DEPARTMENT OF FINANCIAL
INSTITUTIONS,

Plaintiff,

v.

RMA LEGAL NETWORK and
RORY M. ALARCON,

Defendants.

NO.

DFI CASE NO.: C-12-1103-14-CO01

CONFESSION OF JUDGMENT

(Clerk's Action Required)

Judgment Summary

Judgment Creditor
for Restitution:



Attorneys for Department of
Financial Institutions:

Robert W. Ferguson, Washington Attorney General
Ian McDonald, Assistant Attorney General

Judgment Debtor:

RMA Legal Network and Rory M. Alarcon

Principal Judgment Amount
for Restitution:

\$3,201.00 owed to 

Total Judgment Amount:

\$3,201.00

Post-Judgment Interest (per annum): 12%

DFI CASE NO.: C-12-1103-14-CO01

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ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE
PO Box 40100 Olympia, WA 98504-0100
(360) 664-9006

CONFESSION OF JUDGMENT
RMA LEGAL NETWORK and
RORY M. ALARCON

1 Pursuant to Chapter 4.60 of the Revised Code of Washington, Judgment by Confession,
2 defendants RMA Legal Network and Rory M. Alarcon hereby authorize entry of a judgment
3 under the following terms:

4 **Factual Basis for Judgment**

5 The State of Washington, Department of Financial Institutions, and RMA Legal
6 Network and Rory M. Alarcon have agreed upon a basis for resolution of the matters alleged in
7 Statement of Charges No. C-12-1103-13-SC01 (Statement of Charges), entered March 28, 2013.
8 RMA Legal Network and Rory M. Alarcon have agreed to enter into a Confession of
9 Judgment, pursuant to chapter 4.60 RCW, under which the obligations and liabilities of each of
10 them shall be joint and several, in the amount of \$3,201.00, which shall be paid to Todd
11 Cogdill.

12 **Authorization for Entry of Judgment**

13 I, Rory M. Alarcon, being duly sworn upon oath, acknowledge my debt and the debt of
14 RMA Legal Network of \$3,201.00 to [REDACTED] and I authorize entry of judgment against
15 RMA Legal Network and Rory M. Alarcon., and for the amount set forth in the judgment
16 summary above.

17 DATED this 28th day of April, 2014.

18 [REDACTED]
19 [REDACTED]
20 Rory M. Alarcon

21 SUBSCRIBED AND SWORN TO before me in Hauptausse, New York this
22 28th day of APRIL, 2014.

23 [REDACTED]
24 [REDACTED]
25 PETER A. CAPARELLI
NOTARY PUBLIC, State of New York
No. 30-4671906
Qualified in Nassau County
Commission Expires 5/31/14

26 Notary Public in and for the State of
New York, residing at EAST ISLIP,
New York.
My Commission expires: 5/31/14

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Order for Entry

The above Confession of Judgment having been presented to this Court for entry in accordance with RCW 4.60.070, the Court having found said Confession of Judgment to be sufficient, now, therefore, it is hereby

ORDERED that the Clerk of this Court shall forthwith enter Judgment against RMA Legal Network and Rory M. Alarcon, in accordance with the terms of the Confession of Judgment.

DONE IN OPEN COURT this ____ day of _____, 2014.

JUDGE/COURT COMMISSIONER

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 Mortgage Broker Practices Act of Washington by:
7 RMA LEGAL NETWORK and
8 RORY M. ALARCON, Principal,
9 Respondents.

No. C-12-1103-13-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO 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 Respondents.

17 A. RMA Legal Network (Respondent RMA) has never been licensed by the Department of
18 Financial Institutions of the State of Washington (Department) to conduct business as a mortgage
19 broker or loan originator.

20 B. Rory M. Alarcon (Respondent Alarcon) is a Principal of RMA Legal Network. During
21 the relevant time period, Respondent Alarcon was not licensed by the Department to conduct business
22 as a mortgage broker or loan originator.

23 1.2 Unlicensed Activity. Between at least October 2011 and June 2012, Respondents were
24 offering residential mortgage loan modification services to Washington consumers on property located

1 in Washington State. Respondents entered into a contractual relationship with at least two Washington
2 consumers to provide those services and collected fees for the provision of those services. The
3 Department has received at least two complaints from Washington consumers alleging Respondents
4 provided or offered to provide residential mortgage loan modification services while not licensed by
5 the Department to provide those services. While Respondents provided a full refund to one
6 Washington consumer, Washington consumers B.E. and K.E. were not refunded the \$3,180 they
7 jointly paid for those services.

8 **1.3 Misrepresentations and Omissions.** Respondents represented that they were licensed to
9 provide the residential mortgage loan modification services or omitted disclosing that they were not
10 licensed to provide those services.

11 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the
12 Act by Respondents continues to date.

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

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

21 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a
22 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
23 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
24

1 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
2 any of these activities.

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

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

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

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

17 III. AUTHORITY TO IMPOSE SANCTIONS

18 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
19 Director may issue orders directing any person subject to the Act to cease and desist from conducting
20 business.

21 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
22 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
23 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
24 (13), or RCW 19.146.200.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
2 restitution against any person subject to the Act for any violation of the Act.

3 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
4 against any person subject to the Act for any violation of the Act.

5 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
6 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted
7 to an investigation of any person subject to the Act.

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

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

12 **4.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

13 **4.2** Respondents be prohibited from participation, in any manner, in the conduct of the affairs of
14 any mortgage broker subject to licensure by the Director for a period of five years.

15 **4.3** Respondents jointly and severally pay restitution to the consumers identified by the
16 Department in paragraph 1.2 in the amount set forth therein, and that Respondents jointly and
17 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.

18 **4.4** Respondents jointly and severally pay a fine, which as of the date of this Statement of Charges
19 totals \$6,000.

20 **4.5** Respondents jointly and severally pay an investigation fee, which as of the date of this
21 Statement of Charges totals \$288.

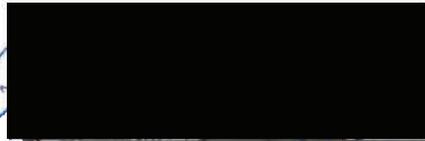
22 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the
23 location of the books, records and other information relating to Respondents' provision of
residential mortgage loan modification services in Washington, and the name, address and
telephone number of the individual responsible for maintenance of such records in compliance
with the Act.

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

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8 Dated this 28th day of March, 2013.



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DEBORAH BORTNER
Director, Division of Consumer Services
Department of Financial Institutions

Presented by:



DEBORAH TAEILLIOUS
Financial Legal Examiner

Approved by:



CHARLES E. CLARK
Enforcement Chief