

Terms Completed

ORDER SUMMARY – Case Number: C-13-1174

Names: Alliance Escrow LLC
Elina V. Beglyarova

Order Number: C-13-1174-14-CO01

Effective Date: March 21, 2014
540-EA-24593

License Number: 540-DO-26476

License Effect: Escrow Officer license surrendered

Not Apply Until: _____

Not Eligible Until: _____

Prohibition/Ban Until: Respondent Beglyarova prohibited five years from date of entry, but see partial stay below.

Investigation Costs	\$2,275	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 3/20/2014
Fine	\$20,000	Due: \$5,000 due 9/21/2014 \$5,000 due 3/21/2015	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date \$10,000 paid 3/20/2014 \$5,000 paid 9/18/2014 \$5,000 paid 3/19/2015
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
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: Partial stay of five year ban. After six months Beglyarova may reapply provided she completes escrow specific training and obtains an independent consultant approved by DFI to audit Alliance Escrow and report on best practices.

Beglyarova is permitted to engage in business as a notary regardless of the ban.

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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 Escrow Agent Registration Act of Washington by:	No.: C-13-1174-14-CO01 CONSENT ORDER
ALLIANCE ESCROW, LLC, and ELINA BEGLYAROVA, Designated Escrow Officer, Respondents.	

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Alliance Escrow, LLC (Respondent Alliance Escrow) and Elina Beglyarova, Designated Escrow Officer (Respondent Beglyarova), 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 18.44 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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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-13-1174-13-SC01 (Statement of Charges), entered August 16, 2013, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration 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.

1 Based upon the foregoing:

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

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

9 C. **Limited Admission.** Respondents admit that an administrative law judge, after a hearing,
10 may find Respondents in violation of the charges stated in Paragraphs 2.4 and 2.5 of the Statement of
11 Charges, in so far as Respondents omitted to make a material entry, or failed to make proper entry, in
12 Respondents' books or accounts. Respondents make no other admissions concerning any other
13 charges stated in the Statement of Charges.

14 D. **Escrow Officer License Surrender.** It is AGREED that Respondent Beglyarova's
15 Escrow Officer license, number 540-DO-26476, is surrendered.

16 E. **Escrow Agent License Renewal.** It is AGREED that Respondent Alliance Escrow's
17 application to renew its escrow agent license will be returned to the Licensing Unit for processing, in
18 accordance with customary review and processing standards.

19 F. **Prohibition from Industry.** Subject to Paragraph G below, it is AGREED that, for a
20 period of five years from the date of entry of this Consent Order, Respondent Beglyarova is
21 prohibited from participating, in any capacity, in the conduct of the affairs of any escrow agent
22 licensed by the Department or subject to licensure or regulation by the Department. It is further
23 AGREED that notwithstanding this prohibition, Respondent Beglyarova is not prohibited from

1 participating in the conduct of the affairs of any escrow agent licensed by the Department or subject
2 to licensure or regulation by the Department provided such participation is limited to providing
3 notary services.

4 **G. Partial Stay of Prohibition.** It is AGREED that following the first six months of the
5 prohibition referenced in Paragraph E of this Consent Order the remainder of the said prohibition will
6 be STAYED provided that Respondent Beglyarova has complied with the terms of Paragraph J of
7 this Consent Order and provided satisfactory evidence of compliance to the Department, and
8 Respondent Beglyarova may reapply for her license as set forth in Paragraph K below. The
9 continuance of this stayed prohibition shall be based upon Respondent Beglyarova's continued
10 compliance with the Act.

11 **H. Lifting of Stay.** It is AGREED that:

12 1. If the Department determines that Respondent Beglyarova has not complied with
13 the terms of this Consent Order to a degree sufficient to warrant imposition of a
14 prohibition, and the Department accordingly seeks to lift the stay and impose the
15 prohibition set forth in Paragraph E above, the Department will first notify
16 Respondent Beglyarova in writing of its determination.

17 2. The Department's notification will include:

- 18 a) A description of the alleged noncompliance;
- 19 b) A statement that because of the noncompliance, the Department seeks
20 to lift the stay and impose the prohibition;
- 21 c) The opportunity for Respondent Beglyarova to contest the
22 Department's determination of noncompliance in an administrative
23 hearing before an Administrative Law Judge (ALJ) of the Office of
24 Administrative Hearings (OAH); and
- d) A copy of this Consent Order. The notification and hearing process
provided in this Consent Order applies only to this Consent Order. It is
solely provided in the event Respondent Beglyarova chooses to contest
the Department's determination of noncompliance.

- 1 3. Respondent Beglyarova will be afforded ten (10) business days from the date of
2 receipt of the Department's notification to submit a written request to the
Department for an administrative hearing to be held before an ALJ from the OAH.
- 3 4. Respondent Beglyarova, in addition to its request for hearing, may provide a
4 written response to include any information pertaining to the alleged
noncompliance.
- 5 5. The administrative hearing shall be expedited and follow the timing and processes
6 described in this Consent Order.
- 7 6. If requested, the hearing will be held within 15 business days (or as soon as the
8 schedule of the ALJ permits) from the due date for Respondent Beglyarova's
request for hearing or from the date of receipt of Respondent Beglyarova's timely
9 request for hearing, whichever is sooner. The parties will accommodate the prompt
scheduling of the hearing.
- 10 7. The scope and issues of the hearing are limited solely to whether or not
Respondent Beglyarova is in violation of the terms of this Consent Order to a
11 degree sufficient to warrant imposition of a prohibition.
- 12 8. At the conclusion of the hearing, the ALJ will issue an initial decision. Either
party may file a Petition for Review with the Director of the Department.
- 13 9. If Respondent Beglyarova does not request the hearing within the stated time, the
14 Department will impose the prohibition and pursue whatever action it deems
necessary to enforce the prohibition.

15 **I. Independent Audit.** It is AGREED that Respondents will retain an independent
16 consultant with expertise in escrow compliance, who has been approved by the Department, to
17 review Respondent Alliance Escrow's business and make written recommendations as to best
18 practices for Respondent Alliance Escrow. Respondent Alliance Escrow will recommend a
19 consultant within 15 days of the date the Consent Order is entered. The Department will approve or
20 reject the recommended consultant within fifteen days. If the Department rejects the recommended
21 consultant, Respondent Alliance Escrow will make another recommendation for approval by the
22 Department within 15 days, with the Department's approval or rejection due 15 days thereafter. This
23 process shall continue until a consultant is approved by the Department. Once a consultant is

1 approved, Respondent will have the independent audit completed within three months. It is further
2 AGREED that Respondent Alliance Escrow shall provide a copy of the written recommendations to
3 the Department within thirty days thereafter.

4 **J. Escrow Training.** It is AGREED that Respondent Beglyarova shall complete at least
5 forty hours of readily available training specific to compliance with laws, rules and regulations
6 applicable to the conduct of an escrow agent or escrow officer. The Department approves the courses
7 set forth in Exhibit A as fulfilling the requirements herein.

8 **K. Application for License.** It is AGREED that should Respondent Beglyarova apply to the
9 Department for any license under any name at any time later than six months from the date of entry
10 of this Consent Order, Respondent Beglyarova shall be required to meet any and all application
11 requirements in effect at that time. It is further AGREED that the Department will not use the facts
12 from this case to determine whether or not a license shall be issued.

13 **L. Fines.** It is AGREED that Respondent Beglyarova shall pay a fine to the Department in
14 the amount of \$5,000, in the form of a cashier's check made payable to the "Washington State
15 Treasurer," upon entry of this Consent Order. It is further AGREED that Respondent Alliance
16 Escrow shall pay a fine to the Department in the amount of \$15,000 as follows: \$5,000 shall be paid
17 in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this
18 Consent Order; another \$5,000 shall be paid in the form of a cashier's check made payable to the
19 "Washington State Treasurer" within six months of the entry of this Consent Order; and another
20 \$5,000 shall be paid in the form of a cashier's check made payable to the "Washington State
21 Treasurer" within one year of the entry of this Consent Order.

1 **M. Non-payment.** It is AGREED that failure to timely pay any amount due under this
2 Consent Order will constitute a violation of this Consent Order and may constitute grounds for
3 further legal action by the Department, including revocation of licensure.

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

9 **O. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
10 investigation fee of \$2,275, in the form of a cashier's check made payable to the "Washington State
11 Treasurer," upon entry of this Consent Order. The Fine due from Respondent Beglyarova and the
12 initial \$5,000 due from Respondent Alliance Escrow and this Investigation Fee may be paid together
13 in one \$12,275 cashier's check made payable to the "Washington State Treasurer."

14 **P. Authority to Execute Order.** It is AGREED that the undersigned have represented and
15 warranted that they have the full power and right to execute this Consent Order on behalf of the
16 parties represented.

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

21 **R. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this
22 Consent Order, which is effective when signed by the Director's designee.
23

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

3 **RESPONDENTS:**

4 **ALLIANCE ESCROW, LLC**

By:

5 [Redacted Signature]

6 Elina Beglyarova
7 Individually and as
8 Designated Escrow Officer

2/19/14
Date

9 [Redacted Signature]

10 Ara Zohrabian
Member

2/19/14
Date

11 [Redacted Signature]

12 Arthur Tatevosyan
Member

2/19/14
Date

13 [Redacted Signature]

14 Radmila Tatevosyan
15 Member *Radmila Tatevosyan*

02-19-2014
Date

16 Approved for Entry:

17 [Redacted Signature]

18 Adam Asher, WSBA No. 35517
19 Attorney at Law
20 Socius Law Group PLLC
21 Attorney for Respondents

2-25-14
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 21st DAY OF March, 2014



[Redacted signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted signature]

Robert E. Jones
Financial Legal Examiner

Approved by:

[Redacted signature]

Charles E. Clark
Enforcement Chief

ALLIANCE ESCROW, LLC

ELINA BEGLYAROVA

CONSENT ORDER
C-13-1174-13-C001
ALLIANCE ESCROW, LLC
ELINA BEGLYAROVA

1 **1.3 Fraudulent Real Estate Transaction¹.** Respondent Alliance Escrow acted as the escrow
2 agent and closing agent for the sale of an adult family home located in Kent, Washington during July
3 2008; and Respondent Beglyarova acted as the escrow officer. The buyer obtained a loan of
4 \$837,250 from Alaksa USA Federal Credit Union to finance part of the \$985,000 purchase price.
5 The buyer was required to provide payment for the remainder of the purchase price from his own
6 funds. The buyer and Respondents, however, concealed the fact that the buyer had, instead, given a
7 note for \$147,750 and a deed of trust to the seller. Misrepresentations by Respondents made this
8 second loan appear to be a cash down payment from the buyer. Alaska USA Federal Credit Union
9 would not have made the loan if it had known of the existence of the second loan. The buyer
10 ultimately defaulted on both loans.

11 **1.4 Failure to Follow Escrow Instructions.** The escrow instructions were dated July 18, 2008,
12 and signed on July 21, 2008. The escrow instructions required Respondents to prepare a settlement
13 statement showing all funds deposited for the account of each of the parties and the disbursements
14 from such funds. Respondent Beglyarova, however, misrepresented the disbursements on the
15 settlement statement.

16 **1.5 Unrecorded Deed of Trust.** On July 24, 2008, the buyer signed a promissory note for
17 \$147,750 to the seller and a deed of trust. Respondent Beglyarova notarized the deed of trust, but did
18 not record it with the King County Auditor.

19 **1.6 Wire Transfers.** On July 24, 2008, [REDACTED] wired \$48,000 to Respondent
20 Alliance Escrow to be applied to the transaction. On the same date, [REDACTED], on
21 behalf of [REDACTED], wired \$100,000 to Respondent Alliance Escrow to be applied to
22 the transaction. Respondent Beglyarova entered the payor of these transfers as "borrower" in the
23

24 ¹ All violations alleged are related to the same purchase transaction.

1 records of Respondent Alliance Escrow. Respondent Beglyarova did not list [REDACTED],
2 [REDACTED] or [REDACTED] as having provided the funds.

3 **1.7 Settlement.** On July 28, 2008, the sale of the home closed. The HUD-1 settlement statement
4 prepared by Respondents showed cash to the seller in the amount of \$283,163.84. The settlement
5 statement also showed that the buyer paid a total of \$163,423.89 in cash at the closing. It did not
6 reflect the additional promissory note.

7 **1.8 Disbursements.** On July 29, 2008, Respondents disbursed the escrow funds. Respondents
8 disbursed \$100,000 to [REDACTED] by wire transfer and \$48,000 to [REDACTED] by
9 wire transfer. Respondents recorded the payee of these disbursements as "[REDACTED].",
10 the seller. Respondents also disbursed closing proceeds totaling only \$135,163.84 to the seller, [REDACTED]
11 [REDACTED] (not the \$283,163.84 referenced above). None of these disbursements were
12 accurately reflected on the final settlement statement.

13 **1.9 On-Going Investigation.** The Department's investigation into the alleged violations of the
14 Act by Respondents continues to date.

15 II. GROUNDS FOR ENTRY OF ORDER

16 **2.1 Engaging in a Scheme, Device, or Artifice to Defraud or mislead.** Based on the Factual
17 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 18.44.301(1)
18 for directly or indirectly employing any scheme, device, or artifice to defraud or mislead lenders.

19 **2.2 Engaging in Unfair or Deceptive Acts or Practices.** Based on the Factual Allegations set
20 forth in Section I above, Respondents are in apparent violation of RCW 18.44.301(2) for directly or
21 indirectly engaging in any unfair or deceptive practice toward any person.

22 **2.3 Knowingly Making, Publishing, or Disseminating False, Deceptive or Misleading**
23 **Information.** Based on the Factual Allegations set forth in Section I above, Respondents are in

1 apparent violation of RCW 18.44.301(4) for knowingly making, publishing, or disseminating any
2 false, deceptive, or misleading information in the conduct of the business of escrow, or relative to the
3 business of escrow or relative to any person engaged therein.

4 **2.4 Making False Entry in Books or Accounts.** Based on the Factual Allegations set forth in
5 Section I above, Respondents are in apparent violation of RCW 18.44.301(6) for making or
6 concurring in making any false entry, or omitting or concurring in omitting to make any material
7 entry, in Respondent's books or accounts.

8 **2.5 Failure to Make Proper Entries.** Based on the Factual Allegations set forth in Section I
9 above, Respondents are in apparent violation of RCW 18.44.301(8) for willfully failing to make any
10 proper entry in the books of the escrow business as required by law.

11 **2.6 Failure to Comply with Escrow Instructions.** Based on the Factual Allegations set forth in
12 Section I above, Respondents are in apparent violation of WAC 208-680-540(4) for failing to comply
13 with the escrow instructions for completing the closing statement.

14 **2.7 Failure to Provide Services.** Based on the Factual Allegations set forth in Section I above,
15 Respondents are in apparent violation of WAC 208-680-540(7) for failing to provide the services and
16 perform all acts pursuant to the escrow instructions.

17 **III. AUTHORITY TO IMPOSE SANCTIONS**

18 **3.1 Authority to Revoke License.** Pursuant to RCW 18.44.430(1) and WAC 208-680-640(1)(a)
19 the Director may revoke the license of any escrow agent or escrow officer if the director finds that
20 any partner, officer, controlling person or employee has violated any of the provisions of the Act or
21 any lawful rules under the Act.

22 **3.2 Authority to Prohibit from industry.** Pursuant to RCW 18.44.430(3) and WAC 208-680-
23 640(1)(b) in addition to or in lieu of a license revocation the director may remove and/or prohibit

1 from participation in the conduct of the affairs of any licensed escrow agent, any officer, controlling
2 person, director, employee, or licensed escrow officer.

3 **3.3 Authority to Impose Fine.** Pursuant to RCW 18.44.430(3) and WAC 208-680-640(1)(d), in
4 addition to or in lieu of license denial the Director may impose a fine up to \$100 per day for each
5 day's violation of the Act or rules adopted under the Act.

6 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680-
7 650(2), the expense of an investigation pursuant to WAC 208-680-610 or WAC 208-680-620 shall be
8 borne by the entity which is the subject of the investigation.

9 **IV. NOTICE OF INTENTION TO ENTER ORDER**

10 Respondent's violations of the provisions of chapter 18.44 RCW as set forth in the above
11 Factual Allegations and Grounds for Entry of Order constitute a basis for the entry of an Order under
12 RCW 18.44.400, RCW 18.44.410, RCW 18.44.430, RCW 18.44.440 and WAC 208-680-030, which
13 authorize the Director to enforce all laws, rules, and regulations related to the registration of escrow
14 agents and licensing of escrow officers. Therefore, it is the Director's intention to ORDER that:

- 15 **4.1** Respondent Alliance Escrow, LLC's license to conduct the business of an escrow
16 agent be revoked.
- 17 **4.2** Respondent Elina Beglyarova's escrow officer license be revoked.
- 18 **4.3** Respondent Elina Beglyarova be prohibited from participation in the affairs of any
19 escrow agent subject to licensure by the Director for a period of five years.
- 20 **4.4** Respondents Alliance Escrow, LLC and Elina Beglyarova jointly and severally pay a
21 fine. As of the date of this Statement of Charges, the fine totals \$20,000.
- 22 **4.5** Respondent Alliance Escrow, LLC and Elina Beglyarova jointly and severally pay an
23 investigation fee. As of the date of this Statement of Charges, the investigation fee
24 totals \$2,275.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Revoke License,
3 Prohibit from Industry, Impose Fine, and Collect Investigation Fee (Statement of Charges) is entered
4 pursuant to the provisions of RCW 18.44.410, RCW 18.44.430, and RCW 18.44.440, and is subject
5 to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may
6 make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND
7 AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

8
9 Dated this 16th day of August, 2013



10 [Redacted signature]

11 DEBORAH BORTNER
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

[Redacted signature]

16 ROBERT E. JONES
17 Financial Legal Examiner

18 Approved by:

[Redacted signature]

19 CHARLES E. CLARK
20 Enforcement Chief