

ORDER SUMMARY – Case Number: C-13-1257

Name(s): Jose Carino

Order Number: C-13-1257-14-CO01

Effective Date: April 7, 2014

License Number: N/A
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: Permanently banned

Not Eligible Until: Permanently banned

Prohibition/Ban Until: Permanent

Investigation Costs	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$2,000.00	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 10/30/14
Assessment(s)	\$		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$1,040	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 4/3/14
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: Respondent is permanently banned from the industry for UL LO activity. He has paid his restitution to the victim

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF INVESTIGATING:
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:
JOSE CARINO, Unlicensed Loan Originator,
Respondent.

No. C-13-1257-14-CO01
CONSENT ORDER

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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 Jose Carino, Unlicensed Loan Originator (Respondent Carino), 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 Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-13-1257-13-SC01 (Statement of Charges), entered January 2, 2014, (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, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees 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. Respondent is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

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 Respondent has been informed of the right to a
5 hearing before an administrative law judge, and hereby waives the 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, Respondent, by his signature below, withdraws his appeal to the Office of
8 Administrative Hearings.

9 C. **Prohibition from Industry.** It is AGREED that, as of the date of the entry of this
10 Consent Order, Respondent is permanently prohibited from participating, in any capacity, in the
11 conduct of the affairs of any mortgage broker, consumer loan company, or loan originator subject to
12 licensure or regulation by the Department.

13 D. **Application for License.** It is AGREED that, from the date of entry of this Consent
14 Order, Respondent shall not apply to the Department for any license under any name.

15 E. **Declaration of Financial Condition and Confession of Judgment.** It is AGREED that
16 Respondent has provided the Department with a Declaration comprehensively describing his current
17 financial condition and representing his current inability to pay the fine obligation agreed to in
18 Paragraph F of this Consent Order. It is further AGREED that, based on this Declaration, the
19 Department has accepted a Confession of Judgment from Respondent for the fine obligation agreed
20 to in Paragraph F of this Consent Order. A copy of this Confession of Judgment is attached and
21 incorporated into this Consent Order by this reference. Consistent with RCW 4.60, the Department
22 may immediately seek entry of the judgment. Respondent shall, upon the Department's request, fully

1 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
2 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

3 L. **Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this
4 Consent Order, which is effective when signed by the Director's designee.

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

7 **RESPONDENT:**
8 [Redacted]
9 [Redacted]
10 Jose Carino
Individually

02-28-14
Date

11 DO NOT WRITE BELOW THIS LINE

12 THIS ORDER ENTERED THIS 7th DAY OF April, 2014.



13 [Redacted]
14 [Redacted]

15 DEBORAH BORTNER
16 Director
17 Division of Consumer Services
Department of Financial Institutions

18 Presented by:
19 [Redacted]

20 GREGORY H. SANDOZ
Financial Legal Examiner

21 Approved by:
22 [Redacted]

23 CHARLES E. CLARK
Enforcement Chief

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8 STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

9 STATE OF WASHINGTON,
10 DEPARTMENT OF FINANCIAL
INSTITUTIONS,

11 Plaintiff,

12 v.

13 JOSE CARINO,

14 Defendant.

NO.

CONFESSION OF JUDGMENT

(Clerk's Action Required)

15 Judgment Summary

16 Judgment Creditors: State of Washington, Department of Financial
Institutions

17 Attorneys for Department of Robert W. Ferguson, Washington Attorney General
18 Financial Institutions: Mandy A. Weeks, Assistant Attorney General

19 Judgment Debtor: Jose Carino

20 Principal Judgment Amount: \$2,000.00 fine owed to the Department of
21 Financial Institutions

22 Total Judgment Amount: \$2,000.00

23 Post-Judgment Interest (per annum): 12%

24 Pursuant to Chapter 4.60 of the Revised Code of Washington, Judgment by Confession,

25 Defendant Jose Carino hereby authorizes entry of a judgment under the following terms:
26

Factual Basis for Judgment

The State of Washington, Department of Financial Institutions and Jose Carino have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-13-1257-13-SC01 (Statement of Charges), entered January 2, 2014. Jose Carino has agreed to enter into a Confession of Judgment, pursuant to chapter 4.60 RCW, in the amount of \$2,000.00 for payment of fines and at an interest rate of twelve percent, which shall be paid to the State of Washington, Department of Financial Institutions.

Authorization for Entry of Judgment

I, Jose Carino, being duly sworn upon oath, acknowledge the debt of \$2,000.00 to the State of Washington, Department of Financial Institutions. I authorize entry of judgment against me for the amount set forth in the judgment summary above and at an interest rate set forth in the judgment summary above.

DATED this 28 day of February, 2014.



JOSE CARINO, Defendant

SUBSCRIBED AND SWORN TO before me in _____, Washington this _____ day of _____, 2014.

Notary Public in and for the State of Washington, residing at _____, Washington.
My Commission expires: _____

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2 Order for Entry

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

6 ORDERED that the Clerk of this Court shall forthwith enter Judgment against Jose
7 Carino, in accordance with the terms of the Confession of Judgment.

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

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11 _____
JUDGE/COURT COMMISSIONER

12 Presented by:

13 ROBERT W. FERGUSON
14 Attorney General

15 _____
16 Mandy A. Weeks
17 Assistant Attorney General
18 WSBA No. 45680
19 Attorneys for State of Washington
20 Department of Financial Institutions
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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:

JOSE CARINO, Unlicensed Loan Originator,

Respondent.

No. C-13-1257-13-SC01

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

INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondent Jose Carino (Respondent). During the relevant time period, Respondent was not licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or as a loan originator.

1.2 Failure to Comply with Director's Authority. On April 12, 2012, the Department entered a Consent Order under Docket C-09-128-12-CO01, which for a period of ten years from the date of entry of the Consent Order prohibited Respondent from engaging in the affairs of any mortgage broker or consumer loan company licensed by the Department or subject to licensure or regulation by the Department in any capacity.

1 **1.3 Unlicensed Activity.** Between at least September 2012 through March 2013, Respondent
2 offered residential mortgage broker or loan originator services to Washington consumers on
3 properties located in Washington State. Respondent entered into at least one agreement with a
4 Washington consumer to provide these services and collected advance fees for the provision of said
5 services. Washington consumer J.A. paid Respondent at least \$1,040 for the provision of said
6 mortgage broker or loan originator services.

7 **1.4 Maintenance of Records.** During the relevant period of time, Respondent did not maintain
8 required business records in a location on file with and readily available to the Department.

9 **1.5 Misrepresentation.** Respondent represented he was licensed to provide residential mortgage
10 broker or loan originator services or omitted to disclose he was not licensed to provide those services.

11 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the
12 Act by Respondent continues to date.

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

14 **2.1 Definition of Mortgage Broker.** 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
17 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to
18 obtain a residential mortgage loan. "Mortgage broker" also includes any person who for direct or
19 indirect compensation or gain or in the expectation of direct or indirect compensation or gain
20 performs residential mortgage loan modification services or holds himself or herself out as being able
21 to perform residential mortgage loan modification services.

22 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,
23 "Loan originator" means a natural person who for direct or indirect compensation or gain, or in the

1 expectation of direct or indirect compensation or gain; takes a residential mortgage loan application
2 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage
3 loan modification services; or holds themselves out to the public as able to perform any of these
4 activities.

5 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006,
6 “Borrower” means any person who consults with or retains a mortgage broker or loan originator in an
7 effort to obtain or seek advice or information on obtaining or applying to obtain a residential
8 mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the
9 person actually obtains such a loan.

10 **2.4 Definition of Residential Mortgage Loan Modification.** Pursuant to RCW 19.146.010(20)
11 and WAC 208-660-006, “Residential mortgage loan modification” means a change in one or more of
12 a residential mortgage loan’s terms or conditions. Changes to a residential mortgage loan’s terms or
13 conditions include but are not limited to forbearances; repayment plans; changes in interest rates, loan
14 terms, or loan types; capitalization of arrearages; or principal reductions.

15 **2.5 Definition of Residential Mortgage Loan Modification Services.** Pursuant to RCW
16 19.146.010(21) and WAC 208-660-006, “Residential mortgage loan modification services” includes
17 negotiating, attempting to negotiate, arranging, attempting to arrange, or otherwise offering to
18 perform a residential mortgage loan modification. “Residential mortgage loan modification services”
19 also includes the collection of data for submission to any entity performing mortgage loan
20 modification services.

21 **2.6 Requirement to Comply With Consent Order.** Based on the Factual Allegations set forth in
22 Section I above, Respondent is in apparent violation of RCW 19.146.220(3)(b) for failing to comply
23 with any directive or order of the Director.

1 **2.7 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
2 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.200(1)
3 and WAC 208-660-155 for engaging in the business of a mortgage broker without first obtaining and
4 maintaining a license under the Act.

5 **2.8 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
6 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.200(1)
7 and WAC 208-660-155 for engaging in the business of a loan originator without first obtaining and
8 maintaining a license under the Act.

9 **2.9 Requirement to Maintain Accurate and Current Books and Records.** Based on the
10 Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW
11 19.146.060 and WAC 208-660-450 for failing to keep all books and records in a location that is on
12 file with and readily available to the Department until at least twenty-five¹ months had elapsed
13 following the effective period to which the books and records relate.

14 **III. AUTHORITY TO IMPOSE SANCTIONS**

15 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
16 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,
17 agent, or other person subject to the Act to cease and desist from conducting business.

18 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
19 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker,
20 any person subject to licensing under the Act for any violation of RCW 19.146.060, RCW
21 19.146.200, and RCW 19.146.205, or failure to comply with any directive or order of the Director.

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24 ¹ SSB 5210 modified the records retention requirement to three years effective July 28, 2013.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
2 restitution against licensees or other persons 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 persons subject to the Act for violations of the Act.

5 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
6 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour
7 for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

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

9 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC,
10 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
11 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and
12 RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

- 13 **4.1** Respondent Jose Carino cease and desist from engaging in the business of a mortgage
14 broker or loan originator.
- 15 **4.2** Respondent Jose Carino be permanently prohibited from participation in the conduct
16 of the affairs of any mortgage broker subject to licensure or regulation by the Director,
17 in any manner.
- 18 **4.3** Respondent Jose Carino pay a fine of \$9,000.
- 19 **4.4** Respondent Jose Carino pay restitution totaling \$1,040 to Washington consumer J.A.
- 20 **4.5** Respondent Jose Carino pay an investigation fee. As of the date of this Statement of
21 Charges, the investigation fee totals \$1,000.
- 22 **4.6** Respondent Jose Carino maintain records in compliance with the Act and provide the
23 Department with the location of the books, records and other information relating to
24 Respondent Jose Carino's mortgage broker business, and the name, address and
telephone number of the individual responsible for maintenance of such records in
compliance with the Act.

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
4 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for a
5 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
6 HEARING accompanying this Statement of Charges.

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8 Dated this 2nd day of January, 2014.



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

15 Presented by:



16 **GREGORY H. SANDOZ**
17 Financial Legal Examiner

18 Approved by:



19 **CHARLES E. CLARK**
20 Enforcement Chief