

**ORDER SUMMARY – Case Number: C-14-1577**

**Names:** Colleagues In Law, LC  
Devin D. Benter

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**Order Number:** C-14-1577-16-CO01

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**Effective Date:** September 30, 2016

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**License Number:**  
**Or NMLS Identifier [U/L]** U/L

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**License Effect:** N/A

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**Not Apply Until:** September 30, 2021

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**Not Eligible Until:** September 30, 2021

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**Prohibition/Ban Until:** September 30, 2021

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<b>Investigation Costs</b>	\$1,785.60	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$36,000	Due \$5,000 to be paid by 10/01/2018 \$31,000 stayed (per terms of order)	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$41,840	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:		12		

Comments: Fine - \$31,000 stayed based on compliance with the order. Two installments of \$2,500 per month due between 09/01/2018 and 10/01/2018. Restitution - twenty-two installment payments due between 11/01/2016 and 08/01/2018. Required to maintain records.

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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:

No.: C-14-1577-16-CO01

CONSENT ORDER

COLLEAGUES IN LAW, LC, and  
DEVIN D. BENTER, Principal,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his  
designee Charles E. Clark, Division Director, Division of Consumer Services, and Colleagues In  
Law, LC (Respondent Colleagues) and Devin D. Benter (Respondent Benter), principal of Colleagues  
In Law, LC (collectively, "Respondents"), by and through their attorney, John A. Long of Masch  
Law Group, PLLC, 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-14-1577-15-SC01 (Statement of Charges), entered August 27, 2015 (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.

Based upon the foregoing:

CONSENT ORDER  
C-14-1577-16-CO01  
COLLEAGUES IN LAW, LC and DEVIN D. BENTER

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DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
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 and the signature of their representative below,  
7 withdraw their appeal to the Office of Administrative Hearings.

8           C. **Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the  
9 date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in  
10 the conduct of the affairs of any mortgage broker licensed by the Department or subject to licensure  
11 or regulation by the Department.

12           D. **Declaration of Financial Condition.** It is AGREED that Respondent Benter has  
13 provided the Department with a Declaration comprehensively describing his current financial  
14 condition and representing his current inability to immediately pay the fine and restitution obligations  
15 agreed to in Paragraphs E and F of this Consent Order.

16           E. **Fine.** It is AGREED that Respondents shall jointly and severally pay a fine to the  
17 Department in the amount of \$36,000. It is further AGREED that payment of \$31,000 of the fine is  
18 STAYED contingent upon Respondents' compliance with the terms of the Consent Order. The  
19 remaining \$5,000 shall be made in two payments the form of cashier's checks made payable to the  
20 "Washington State Treasurer." Respondents shall make their first payment to the Department in the  
21 amount of \$2,500 on or before September 1, 2018. Respondents shall make their second payment to  
22 the Department in the amount of \$2,500 on or before October 1, 2018.

23           F. **Restitution.** It is AGREED that Respondents shall jointly and severally pay restitution in  
24 the amount of \$41,840 in twenty-two (22) payments to the Washington consumers referenced in

1 Appendix A to this Consent Order. Respondents shall make their first restitution payment in the  
2 amount of \$2,500 on or before November 1, 2016. Beginning December 1, 2016, through November  
3 1, 2017, Respondents shall make monthly restitution payments in the amount of \$1,500 on the first of  
4 each month. Beginning December 1, 2017, through July 1, 2018, Respondents shall make monthly  
5 restitution payments in the amount of \$2,500 on the first of each month. On or before August 1,  
6 2018, Respondents shall make a restitution payment in the amount of \$1,340. These amounts shall be  
7 deposited into the IOLTA account of Respondents' attorney, John A. Long. Respondents shall  
8 instruct the attorney to notify the Department's Consumer Services Enforcement Unit within five (5)  
9 days of receipt of each payment and to disburse the funds to the Washington consumers within ten  
10 (10) days of receipt of sufficient funds to pay the Washington consumers referenced in Appendix A.  
11 Respondents shall ensure that the Department receives a copy of each refund check at the time of  
12 issuance. Any refund check which has not been successfully cashed within sixty (60) days shall be  
13 forfeited to the Department of Revenue as unclaimed funds. All costs associated with distribution of  
14 restitution and remittance of unclaimed funds to the Department of Revenue shall be borne by  
15 Respondents. No restitution funds, once deposited into the IOLTA account, shall ever be returned to  
16 Respondents.

17 It is further AGREED that Respondents shall notify the Department within five (5) days if  
18 Respondents are no longer represented by John A. Long and identify a Washington-licensed attorney  
19 that will continue to disburse the funds to the Washington consumers on the Respondents' behalf.

20 **G. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
21 consent of any person or entity not a party to this Consent Order to take any action concerning their  
22 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
23 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,  
24 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

1           **H. Investigation Fee.** It is AGREED that Respondents shall jointly and severally pay to the  
2 Department an investigation fee of \$1,785.60 in the form of a cashier's check made payable to the  
3 "Washington State Treasurer" upon entry of this Consent Order.

4           **I. Lifting of Stay.** It is AGREED that:

- 5           1. If the Department determines Respondents have not complied with this Consent Order,  
6 and seeks to lift the stay and impose the \$31,000 stayed fine, the Department will first  
7 serve Respondents with a written notice of noncompliance. The notice of  
8 noncompliance will include:  
9           a. A description of the alleged noncompliance;  
10           b. A statement that the Department seeks to lift the stay and impose the stayed fine;  
11           c. Notice that Respondents can contest the allegations of noncompliance by either  
12 requesting an adjudicative hearing in writing or by submitting a written response to  
13 the allegations of noncompliance; and  
14           d. Notice that the process for lifting the stay applies only to this Consent Order.  
15           2. Respondents will be afforded ten (10) business days from the date of service of the  
16 notice of noncompliance to submit to the Department either a written request for an  
17 adjudicative hearing or a written response to the allegations of noncompliance.  
18           3. The scope and issues of the adjudicative hearing are limited solely to whether or not  
19 Respondents have failed to comply with the terms of this Consent Order.  
20           4. At the conclusion of the adjudicative hearing the Administrative Law Judge will issue  
21 an initial decision. Either party may subsequently file a Petition for Review with the  
22 Director of the Department.  
23           5. In lieu of requesting an adjudicative hearing, within ten (10) business days from the  
24 date of service of the notice of noncompliance, Respondents may submit to the  
Department a written response to the allegations of noncompliance for consideration by  
the Department. The response must include a waiver of the right to an adjudicative  
hearing, may address the allegations of noncompliance, and may seek an alternative  
resolution to lifting the stay and imposing the \$31,000 stayed fine.  
6. **Default.** If Respondents do not timely request an adjudicative hearing or submit a  
written response to the notice of noncompliance, the Department may lift the stay and  
impose the \$31,000 stayed fine without further notice.

22           **J. Change of Address.** It is AGREED that for the duration of the period this Consent Order  
23 is in effect, unless otherwise agreed to in writing by the Department, Respondents shall provide the  
24 Department with a mailing address and telephone number at which Respondents can be contacted and

1 Respondents shall notify the Department in writing of any changes to their mailing address or  
2 telephone number within fifteen days of any such change.

3       **K. Records Retention.** It is AGREED that Respondents, its officers, employees, and agents  
4 shall maintain records in compliance with the Act and provide the Director with the location of the  
5 books, records and other information relating to Respondents' mortgage broker business, and the  
6 name, address and telephone number of the individual responsible for maintenance of such records in  
7 compliance with the Act.

8       **L. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
9 warranted that they have the full power and right to execute this Consent Order on behalf of the  
10 parties represented.

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

15       **N. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this  
16 Consent Order, which is effective when signed by the Director's designee.

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

19       **P. Counterparts.** This Consent Order may be executed by the Respondents in any number of  
20 counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed  
21 to be an original, but all of which, taken together, shall constitute one and the same Consent Order.

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**RESPONDENTS:**

Colleagues In Law, LC

By:

[Redacted Signature]

Devin D. Benter  
Principal

[Redacted Signature]

Devin D. Benter  
Individually

Approved for Entry:

[Redacted Signature]

John A. Long, WSBA No. 15116  
Attorney at Law  
Masch Law Group, PLLC  
Attorney for Respondents

9/12 / 2016  
Date


9/12 / 2016  
Date

10/11 2016  
Date


DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 30<sup>th</sup> DAY OF September, 2016.




  
CHARLES E. CLARK  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

  
RACHELLE VILLALOBOS  
Financial Legal Examiner

Approved by:

  
STEVEN C. SHERMAN  
Enforcement Chief



**APPENDIX A**

**Consumer**

**Amount**

D.D.	\$3,990
L.L.	\$4,345
D.F.	\$3,100
J.S.	\$4,445
D.W.	\$1,995
R.S.	\$4,145
C.W.	\$4,490
D.C.	\$4,145
M.C.	\$4,345
R.J.	\$4,345
R.P.	\$2,495

**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:

COLLEAGUES IN LAW, LC, and  
DEVIN D. BENTER, Principal,

Respondents.

No. C-14-1577-15-SC01

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

**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 Charles E. Clark, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

**A. Colleagues In Law, LC (Respondent Colleagues)** has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker.

**B. Devin D. Benter (Respondent Benter)** is a principal of Respondent Colleagues. During the relevant time period, Respondent Benter was not licensed by the Department to conduct business as a mortgage broker or loan originator.

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1 **1.2 Unlicensed Activity.** Between at least July 1, 2013, and September 19, 2014, Respondents  
2 Colleagues and Benter (hereafter Respondents) were offering residential mortgage loan modification  
3 services to Washington consumers on property located in Washington State. Respondents entered  
4 into a contractual relationship with at least twelve Washington consumers to provide those services  
5 and collected an advance fee for the provision of those services. The Department has received at  
6 least three complaints from Washington consumers alleging Respondents provided or offered to  
7 provide residential mortgage loan modification services while not licensed by the Department to  
8 provide those services. A list of Washington consumers with whom Respondents conducted  
9 business as a mortgage broker or loan originator, and the amount paid by each is appended hereto  
10 and incorporated herein by reference as Appendix A.

11 **1.3 Misrepresentations and Omissions.** Respondents represented that they were licensed to  
12 provide the residential mortgage loan modification services or omitted disclosing that they were not  
13 licensed to provide those services.

14 **1.4 Failure to Comply with Director's Authority.** On or about August 12, 2014, the  
15 Department issued a subpoena to Respondents. As of the date of the Statement of Charges,  
16 Respondents have never provided a complete response to the Department's subpoena.

17 **1.5 False Statements to the Department.** On or about September 22, 2014, Respondents  
18 provided a partial subpoena response to the Department whereby they indicated they had provided  
19 loan modification services to eleven Washington consumers. However, Respondents entered into  
20 contractual relationships to provide loan modification services with at least one additional consumer  
21 on or around May 12, 2014.

22 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the  
23 Act by Respondents continues to date.

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## II. GROUNDS FOR ENTRY OF ORDER

**2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14), "Mortgage broker" means any person who for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan or performs residential mortgage loan modification services or (b) holds himself or herself out as being able to assist a person in obtaining or applying to obtain a residential mortgage loan or provide residential mortgage loan modification services.

**2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11)(b), "Loan originator" means a natural person who for direct or indirect compensation or gain or in the expectation of direct or indirect compensation or gain performs residential mortgage loan modification services or holds himself or herself out as being able to perform residential mortgage loan modification services.

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

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

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

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1 **2.6 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in  
2 Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1015  
3 (Regulation O) for taking advance fees for loan modification services.

4 **2.7 Requirement to Comply with Director's Authority.** Based on the Factual Allegations set  
5 forth in Section I above, Respondents are in apparent violation of RCW 19.146.235 for failing to  
6 comply with the Director's investigation authority.

7 **2.8 False Statements.** Based on the Factual Allegations set forth in Section I above, Respondents  
8 are in apparent violation of RCW 19.146.0201(8) for making a false statement in connection with an  
9 investigation conducted by the Department.

### 10 **III. AUTHORITY TO IMPOSE SANCTIONS**

11 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
12 Director may issue orders directing any person subject to the Act to cease and desist from  
13 conducting business.

14 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
15 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker  
16 any person subject to licensing under the Act for any violation of the Act.

17 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
18 restitution against any person subject to the Act for any violation of the Act.

19 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
20 against any person subject to the Act for any violation of the Act.

21 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-  
22 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time  
23 devoted to an investigation of any person subject to the Act.

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1 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director  
2 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

7 **4.1** Respondents Colleagues In Law, LC and Devin D. Benter cease and desist engaging in the  
8 business of a mortgage broker or loan originator.

9 **4.2** Respondents Colleagues In Law, LC and Devin D. Benter be prohibited from participation,  
10 in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by  
11 the Director for a period of five years.

12 **4.3** Respondents Colleagues In Law, LC and Devin D. Benter jointly and severally pay  
13 restitution to the twelve consumers identified in Appendix A to this Statement of Charges in  
14 the amount set forth therein, and that Respondents jointly and severally pay restitution to  
15 each Washington consumer with whom they entered into a contract for residential mortgage  
16 loan modification services related to real property or consumers located in the state of  
17 Washington equal to the amount collected from that Washington consumer for those services  
18 in an amount to be determined at hearing.

19 **4.4** Respondents Colleagues In Law, LC and Devin D. Benter jointly and severally pay a fine in  
20 the amount of \$3,000 for each loan modification assisted or performed for Washington  
21 consumers; which as of the date of this Statement of Charges totals \$36,000.

22 **4.5** Respondents Colleagues In Law, LC and Devin D. Benter jointly and severally pay an  
23 investigation fee, which as of the date of this Statement of Charges totals \$1,785.60.

24 **4.6** Respondents Colleagues In Law, LC and Devin D. Benter pay the Department's costs and  
expenses for prosecuting violations of the Act in an amount to be determined at hearing or by  
Declaration with supporting documentation in event of default by Respondents.

**4.7** Respondents Colleagues In Law, LC and Devin D. Benter maintain records in compliance  
with the Act and provide the Department with the 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.




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(s) 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 27<sup>th</sup> day of August, 2015.




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CHARLES E. CLARK  
Director, Division of Consumer Services  
Department of Financial Institutions


15 Presented by:

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RACHELLE VILLALOBOS  
Financial Legal Examiner

19 Approved by:

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STEVEN C. SHERMAN  
Enforcement Chief