

Terms Complete

ORDER SUMMARY – Case Number: C-16-1922

Names: Federico Maldonado; Global Crisis Solutions

Order Number: C-16-1922-17-CO01

Effective Date: 4/13/2017

License Number: N/A
Or NMLS Identifier

License Effect: N/A

Not Apply Until: 4/13/2022

Not Eligible Until: 4/13/2022

Prohibition/Ban Until: 4/13/2022

Investigation Costs	\$244.80	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 3/30/2017
Fine	\$3,000 Stayed	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Refund	\$2,275	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 7/12/2017
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:		1		

Comments: Refund due within 90 days of entry of order. \$3,000 of \$3,000 fine suspended pending completing on order, and shall be waived within one year of entry of the order if Respondents timely complete all terms of order.

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **DIVISION OF CONSUMER SERVICES**

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

No.: C-16-1922-17-CO01

5 **CONSENT ORDER**

6 GLOBAL CRISIS SOLUTIONS, LLC. d/b/a
GLOBAL CRISIS SOLUTIONS; FEDERICO
MALDONADO, Managing Member,

7 Respondents.

8 COMES NOW the Acting Director of the Department of Financial Institutions (Director),
9 through her designee Charles E. Clark, Division Director, Division of Consumer Services, and Global
10 Crisis Solutions, LLC. d/b/a Global Crisis Solutions (Global Crisis Solutions) and Federico
11 Maldonado, Managing Member, by and through their counsel, Gerald M. Werksman, and finding that
12 the issues raised in the above-captioned matter may be economically and efficiently settled, agree to
13 the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of the
14 Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act,
15 based on the following:

16 **AGREEMENT AND ORDER**

17
18 The Department of Financial Institutions, Division of Consumer Services (Department) and
19 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges
20 No. C-16-1922-17-SC01 (Statement of Charges), entered January 31, 2017, (copy attached hereto).
21 Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of
22 the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this
23 Consent Order and further agree that the issues raised in the above-captioned matter may be

1 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent
2 Order to fully resolve the Statement of Charges.

3 Based upon the foregoing:

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

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

11 **C. Cease and Desist.** It is AGREED that Respondents shall immediately and permanently
12 cease and desist from engaging in the business of a mortgage broker and loan originator without a
13 license.

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

18 **E. Application for License.** It is AGREED that, for a period of five years from the date of
19 entry of this Consent Order, Respondents shall not apply to the Department for any license under any
20 name. It is further AGREED that, should Respondents apply to the Department for any license under
21 any name at any time later than five years from the date of entry of this Consent Order, such applying
22 Respondents shall be required to meet any and all application requirements in effect at that time.

1 **F. Refund.** It is AGREED that Respondents shall jointly and severally pay a refund to
2 Washington State consumer E.S. in the amount of \$2,275.00 within ninety days of entry of this
3 consent order. It is FURTHER AGREED that the refund shall be paid in one lump sum in the form
4 of cashier's check, and that Respondents shall provide to the Department a copy of the front and back
5 of the cashier's check and proof of mailing within ten days of mailing the cashier's check.

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

11 **H. Fine.** It is AGREED that Respondents shall jointly and severally pay a fine to the
12 Department in the amount of \$3,000.00 with \$3,000.00 of the fine suspended pending completion of
13 the terms of this Consent Order. The suspended \$3,000.00 shall be waived within one year of entry
14 of this Consent Order if Respondents timely completed all terms of this Consent Order.

15 **I. Lifting of Suspended Fine.** If, and only if, the Department determines that Respondents
16 have not complied with the terms of this Consent Order, and seeks to lift the suspension of the
17 \$3,000.00 fine, the notification and hearing process in paragraphs 1 through 5 below shall apply:

18 **1. Written Notice.** The Department shall first notify Respondents of the determination in
19 writing, which shall include:

- 20 i. A description of the alleged noncompliance;
- 21 ii. A statement that because of the noncompliance, the Department seeks to lift the
22 suspension of the \$3,000.00 fine;
- 23 iii. A statement that Respondents may contest the Department's determination of
24 noncompliance in an administrative hearing before an Administrative Law Judge
(ALJ) of the Office of Administrative Hearings (OAH); and

1
2 iv. A copy of this Consent Order.

3 **2. Opportunity for Hearing.** Respondents may contest the Department’s determination of
4 noncompliance in an administrative hearing before an Administrative Law Judge (ALJ) of the Office
5 of Administrative Hearings (OAH). If Respondents do not request the hearing within the stated time
6 in paragraph 4 below, the Department will immediately lift suspension of the \$3,000.00 and pursue
7 whatever action it deems necessary to collect it.

8 **3. Timing of Hearing.** The administrative hearing shall follow the timing and processes
9 described in this Consent Order. Any written request to the Department for an administrative hearing
10 held before an ALJ from OAH shall be submitted to the Department no later than ten business days
11 from the date Respondents receive the Department’s written notice. If requested, the hearing will be
12 held as soon as the schedule of the ALJ permits. The parties will accommodate the prompt scheduling
13 of the hearing.

14 **4. Issues at Hearing.** Respondents may provide a written response to the Department’s
15 written notice of noncompliance. The scope and issues of the hearing are limited solely to whether
16 Respondents are in violation this Consent Order to a degree sufficient to warrant lifting the
17 suspension of the \$3,000.00 fine.

18 **5. Decision and Appeal.** At the conclusion of the hearing, the ALJ will issue an initial
19 decision. Either party may file a Petition for Review with the Director.

20 **J. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
21 investigation fee of \$244.80, in the form of a cashier’s check made payable to the “Washington State
22 Treasurer,” within ninety days of entry of this Consent Order.

23 **K. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
24 abide by the terms and conditions of this Consent Order may result in further legal action by the

1 Director. In the event of such legal action, Respondents 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 Respondents have 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 Respondents have read
6 this Consent Order in its entirety and fully understand and agree to all of the same.

7 **RESPONDENTS:**

8 Global Crisis Solutions, LLC
9 By:

10 _____/s/_____
11 Federico Maldonado
12 Managing Member

_____3/21/16_____
Date

13 _____/s/_____
14 Federico Maldonado
15 Individually

_____3/21/16_____
Date

16 Approved for Entry:

17 _____/s/_____
18 Gerald M. Werksman
19 Attorney at Law
20 Attorney for Respondents

_____3/21/16_____
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 13th DAY OF April, 2017.

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

Presented by:

/s/ _____
AMANDA J. HERNDON
Financial Legal Examiner

Approved by:

/s/ _____
STEVEN C. SHERMAN
Enforcement Chief

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

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

5 GLOBAL CRISIS SOLUTIONS, LLC. d/b/a
6 GLOBAL CRISIS SOLUTIONS; FEDERICO
MALDONADO, Managing Member;

7 Respondents.

No. C-16-1922-17-SC01

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

8 INTRODUCTION

9 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Acting Director of the Department of
10 Financial Institutions of the State of Washington (Acting Director) is responsible for the
11 administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act). After having
12 conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of the
13 date of this Statement of Charges, the Acting Director, through her designee, Division of Consumer
14 Services Director Charles E. Clark, institutes this proceeding and finds as follows:

15 I. FACTUAL ALLEGATIONS

16 1.1 Respondents.

17 A. **Global Crisis Solutions, LLC. d/b/a Global Crisis Solutions (Global Crisis Solutions)**
18 has never been licensed by the Department of Financial Institutions of the State of Washington
19 (Department) to conduct business as a mortgage broker.

20 B. **Federico Maldonado** is managing member of Global Crisis Solutions. During the relevant
21 time period, Federico Maldonado was not licensed by the Department to conduct business as a
22 mortgage broker or loan originator.

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1 **1.2 Unlicensed Activity.** Between at least September 1, 2015, and January 20, 2017, Respondents
2 were offering residential mortgage loan modification services to Washington State consumers while
3 Respondents were not licensed by the Department to provide those services. Respondents entered into
4 a contractual relationship with at least one Washington State consumer to provide those services and
5 collected an advance fee for the provision of those services. Washington State consumer E.S paid
6 Respondents an advanced fee of \$2,275.00 for loan modification services.

7 **1.3 Misrepresentations and Omissions.** Respondents represented that they were licensed to
8 provide the residential mortgage loan modification services or omitted disclosing that they were not
9 licensed to provide those services.

10 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the
11 Act by Respondents continues to date.

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

13 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14), "Mortgage broker" means any
14 person who for direct or indirect compensation or gain, or in the expectation of direct or indirect
15 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
16 or performs residential mortgage loan modification services or (b) holds himself or herself out as being
17 able to assist a person in obtaining or applying to obtain a residential mortgage loan or provide
18 residential mortgage loan modification services.

19 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11)(b), "Loan originator" means a
20 natural person who for direct or indirect compensation or gain or in the expectation of direct or
21 indirect compensation or gain performs residential mortgage loan modification services or holds
22 himself or herself out as being able to perform residential mortgage loan modification services.

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

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

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

12 **2.6 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in
13 Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 C.F.R. §
14 1015.5 for taking advance fees for loan modification services.

15 III. AUTHORITY TO IMPOSE SANCTIONS

16 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(3), the
17 Director may issue orders directing any person subject to the Act to cease and desist from conducting
18 business.

19 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may
20 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
21 any person subject to licensing under the Act for any violation of the Act.

22 **3.3 Authority to Order Refunds.** Pursuant to RCW 19.146.220(2), the Director may order
23 refunds against any person subject to the Act for any violation of the Act.

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1 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
2 against any person subject to the Act for any violation of the Act.

3 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-
4 550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted to
5 an investigation of any person subject to the Act.

6 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
7 may recover the state's costs and expenses for prosecuting violations of 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 Acting Director's intent to ORDER that:

12 **4.1** Respondents Global Crisis Solutions, LLC. and Federico Maldonado cease and desist engaging
13 in the business of a mortgage broker or loan originator.

14 **4.2** Respondents Global Crisis Solutions, LLC. and Federico Maldonado be prohibited from
15 participation, in any manner, in the conduct of the affairs of any mortgage broker subject to
16 licensure by the Director for a period of five years.

17 **4.3** Respondents Global Crisis Solutions, LLC. and Federico Maldonado jointly and severally pay
18 a refund to Washington State consumer E.S. in the amount of \$2,275.00 and to each
19 Washington State consumer with whom Respondents entered into a contract for residential
20 mortgage loan modification services and each consumer with whom they entered into a
21 contract for residential mortgage loan modification services related to real property in State
22 Washington equal to the amount collected from those consumer for those services in an
23 amount to be determined at hearing.

24 **4.4** Respondents Global Crisis Solutions, LLC. and Federico Maldonado jointly and severally pay
a fine, which as of the date of this Statement of Charges totals \$3,000.00

4.5 Respondents Global Crisis Solutions, LLC. and Federico Maldonado jointly and severally pay
an investigation fee, which as of the date of this Statement of Charges totals \$244.80.

4.6 Respondents Global Crisis Solutions, LLC. and Federico Maldonado 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

1 modification services in Washington, and the name, address and telephone number of the
2 individual responsible for maintenance of such records in compliance with the Act.

3 **4.7** Respondents Global Crisis Solutions, LLC. and Federico Maldonado pay the Department's
4 costs and expenses for prosecuting violations of the Act in an amount to be determined at
5 hearing or by declaration with supporting documentation in event of default by Respondents.

6 **V. AUTHORITY AND PROCEDURE**

7 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
8 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
9 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
10 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
11 accompanying this Statement of Charges.

12 Dated this 31st day of January, 2017.

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14
15 /s/ _____
16 CHARLES E. CLARK
17 Director, Division of Consumer Services
18 Department of Financial Institutions

19 Presented by:

20 /s/ _____
21 AMANDA J. HERNDON
22 Financial Legal Examiner

23 Approved by:

24 /s/ _____
STEVEN C. SHERMAN
Enforcement Chief