

Terms Complete
ORDER SUMMARY – Case Number: C-14-1524

Name(s): Law Offices of Leslie Richards, PC
Leslie Richards
Jason Lesner

Order Number: C-14-1524-14-CO01

Effective Date: March 6, 2015

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

License Effect: N/A

Not Apply Until: March 6, 2020

Not Eligible Until: March 6, 2020

Prohibition/Ban Until: March 6, 2020

Investigation Costs	\$720	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 3/5/2015
Fine	\$780	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 3/5/2015
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,600	Due	Paid <input checked="" 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:

Cease and Desist

**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:

LAW OFFICES OF LESLIE RICHARDS, P.C.;
LESLIE RICHARDS, Owner; and
JASON LESNER;

No.: C-14-1524-14-CO01

CONSENT ORDER

Respondents.

COME NOW the Director of the Department of Financial Institutions (Director), through his designee Charles E. Clark, Division Director, Division of Consumer Services, and Law Offices of Leslie Richards, P.C. (Respondent Law Offices of Leslie Richards, P.C.), Leslie Richards (Respondent Richards), and Jason Lesner (Respondent Lesner), 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-14-1524-14-SC01 (Statement of Charges), entered August 8, 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, 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 and agree that the Respondents do not admit any

CONSENT ORDER
C-14-1524-14-CO01
LAW OFFICES OF LESLIE RICHARDS, P.C.;
LESLIE RICHARDS; and
JASON LESNER.

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 wrongdoing by its entry. Respondents are agreeing not to contest the Statement of Charges in
2 consideration of the terms of this Consent Order.

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 below, withdraw their appeal to the Office of
10 Administrative Hearings.

11 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the
12 Statement of Charges and agree that Respondents do not admit to any wrongdoing by its entry.

13 **D. Cease and Desist.** It is AGREED that Respondents shall cease and desist from
14 conducting the business of a mortgage broker or loan originator as related to Washington property or
15 consumers without obtaining and maintaining a license or qualifying for an exemption from licensure
16 under the Act.

17 **E. Prohibition from Industry.** It is AGREED that, for a period of 5 years from the date of
18 entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the
19 conduct of the affairs of any mortgage broker licensed by the Department or subject to licensure or
20 regulation by the Department as related to Washington property or consumers.

21 **F. Restitution.** It is AGREED that Respondents shall pay restitution to Washington
22 consumer V.R. in the amount of \$2,600.

1 **G. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
2 \$780, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry
3 of this Consent Order.

4 **H. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
5 investigation fee of \$720, in the form of a cashier's check made payable to the "Washington State
6 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together
7 in one \$1,500 cashier's check made payable to the "Washington State Treasurer."

8 **I. Records Retention.** It is AGREED that Respondent Law Offices of Leslie Richards,
9 P.C., its officers, employees, and agents shall maintain records in compliance with the Act and
10 provide the Director with the location of the books, records and other information relating to
11 Respondent Law Offices of Leslie Richards, P.C.'s provision of residential mortgage loan
12 modification services in Washington, and the name, address and telephone number of the individual
13 responsible for maintenance of such records in compliance with the Act.

14 **J. 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 **K. 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 **L. 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 **M. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
24 this Consent Order in its entirety and fully understand and agree to all of the same.

1 **RESPONDENTS:**

2 **Law Offices of Leslie Richards, P.C.**

3 By:

4 
Leslie Richards


5 Owner

Date 01/15/15

6 
Leslie Richards

7 Individually

Date 01/15/15

8 
Jason Lesner

9 Individually

Date 01/15/15

10 **DO NOT WRITE BELOW THIS LINE**

11 THIS ORDER ENTERED THIS 6th DAY OF March, 2015.

12
13 
14 CHARLES E. CLARK
15 Director, Division of Consumer Services
16 Department of Financial Institutions

17 Presented by:

18 
KENNETH J. SUGIMOTO

19 Financial Legal Examiner

20 Approved by:

21 
22 STEVEN C. SHERMAN

23 Enforcement Chief



C. Jason Lesner (Respondent Lesner) is an employee of Respondent Law Offices of Leslie Richards, P.C. During the relevant time period, Respondent Lesner was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1.2 Unlicensed Activity. Between at least July 2013 and February 2014, Respondents were offering residential mortgage loan modification services to Washington consumers on property located in Washington State. Respondents entered into a contractual relationship with at least one Washington consumer to provide those services and collected an advance fee for the provision of those services. The Department has received at least one complaint from Washington consumer V.R. alleging Respondents provided or offered to provide residential mortgage loan modification services while not licensed by the Department to provide those services. Consumer V.R. paid Respondents \$2,600 for these services.¹

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

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

II. GROUNDS FOR ENTRY OF ORDER

2.1 Mortgage Broker Defined. Pursuant to RCW 19.146.010(14) and WAC 208-660-006, “Mortgage Broker” means any person who, for compensation or gain, or in the expectation of compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a

¹ Consumer V.R. stated to the Department that Respondents refunded the \$2,600 she paid for these services.

1 person “assists a person in obtaining or applying to obtain a residential mortgage loan’ by, among
2 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages....”

3 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a
4 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
5 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
6 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
7 any of these activities.

8 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
9 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
10 toward any person and obtaining property by fraud or misrepresentation.

11 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
12 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
13 for engaging in the business of a mortgage broker for Washington residents or property without first
14 obtaining a license to do so.

15 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
16 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
17 for engaging in the business of a loan originator without first obtaining and maintaining a license.

18 **2.6 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in
19 Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 16 CFR 322
20 (MARS Rule) for taking advance fees for loan modification services.

21 **III. AUTHORITY TO IMPOSE SANCTIONS**

22 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
23 Director may issue orders directing any person subject to the Act to cease and desist from conducting
24 business.

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

5 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
6 restitution against any person subject to the Act for any violation of the Act.

7 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
8 against any person subject to the Act for any violation of the Act.

9 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-
10 550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted to
11 an investigation of any person subject to the Act.

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IV. NOTICE OF INTENT TO ENTER ORDER

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

- 4.1 Respondents Law Offices of Leslie Richards, P.C., Leslie Richards, and Jason Lesner cease and desist engaging in the business of a mortgage broker or loan originator.
- 4.2 Respondents Law Offices of Leslie Richards, P.C., Leslie Richards, and Jason Lesner be prohibited from participation, in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the Director for a period of five years.
- 4.3 Respondents Law Offices of Leslie Richards, P.C., Leslie Richards, and Jason Lesner jointly and 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.
- 4.4 Respondents Law Offices of Leslie Richards, P.C., Leslie Richards, and Jason Lesner jointly and severally pay a fine, which as of the date of this Statement of Charges totals \$3,000.
- 4.5 Respondents Law Offices of Leslie Richards, P.C., Leslie Richards, and Jason Lesner jointly and severally pay an investigation fee, which as of the date of this Statement of Charges totals \$720.
- 4.6 Respondent Law Offices of Leslie Richards, P.C. 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.

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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.

7
8 Dated this 5th day of August, 2014.



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18

A handwritten signature in blue ink, reading "Deborah Bortner", is written over a horizontal line.

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

19 Presented by:

20
21
22
23
24

A handwritten signature in blue ink, reading "Kenneth J. Sugimoto", is written over a horizontal line.

KENNETH J. SUGIMOTO
Financial Legal Examiner

Approved by:

A handwritten signature in blue ink, reading "Charles E. Clark", is written over a horizontal line.

CHARLES E. CLARK
Enforcement Chief

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
8 LAW OFFICES OF LESLIE RICHARDS, P.C.;
9 LESLIE RICHARDS, Owner; and
10 JASON LESNER;
11
12 Respondents.

C-14-1524-14-SC01

13 **NOTICE OF OPPORTUNITY TO DEFEND**
14 **AND OPPORTUNITY FOR HEARING**

15 **THE STATE OF WASHINGTON TO:**

Law Offices of Leslie Richards, P.C.

16 You are notified that a Statement of Charges has been filed against you by the Department of
17 Financial Institutions (Department), a true and correct copy is attached.

18 **APPLICATION FOR ADJUDICATIVE HEARING**

19 You are further notified that you may file an application for adjudicative hearing before the
20 Department on the Statement of Charges. Your application for adjudicative hearing must be received by
21 the Department within twenty (20) days from the date of service. Service is deemed complete upon deposit
22 in the United States mail.

23 **ADJUDICATIVE HEARING**

24 If you request an adjudicative hearing, you will be notified of the time and place for the hearing at
least seven (7) days in advance of the hearing date. In most cases, a conference ("prehearing conference")
will be conducted before the hearing to discuss preliminary matters and select mutually convenient hearing
dates. At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as
informal as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05
RCW). The hearing will be recorded. The primary concern will be getting to the truth of the matter insofar
as the Statement of Charges is concerned. Technical rules of evidence will not be binding at the hearing

1 except for the rules or privilege recognized by law. You have the right to present evidence and witnesses in
2 your own behalf, and to cross-examine those witnesses presented in support of the Statement of Charges.
3 You may require the attendance of witnesses by subpoena.

4 **INTERPRETER AVAILABILITY**

5 If you or a witness for you is a person who, because of non-English-speaking cultural background,
6 cannot readily speak or understand the English language, you have the right to have an interpreter
7 appointed at no cost to you.

8 If you or a witness for you is a person who, because of a hearing or speech impairment, cannot
9 readily understand or communicate in spoken language, you have the right to have an interpreter appointed
10 at no cost to you.

11 IF YOU NEED AN INTERPRETER, then a qualified interpreter will be appointed at no cost to you
12 or to the witness. You may request the appointment of a qualified interpreter by indicating your request on
13 the attached Application for Adjudicative Hearing form.

14 **WARNING**

15 You are further notified that if the Department does not RECEIVE the completed Application for
16 Adjudicative Hearing form within twenty (20) days from the date you received this notice, this will
17 constitute a waiver of your right to a hearing and the Department will find that you do not contest the
18 allegations in the Statement of Charges. Upon such a finding, a final order will be immediately entered
19 disposing of this matter as described in the Statement of Charges. If you desire a hearing in this matter,
20 you must complete and return the attached Application for Adjudicative Hearing to:

21 Department of Financial Institutions
22 Division of Consumer Services
23 Attn: Steven C. Sherman
24 PO Box 41200
Olympia, Washington 98504-1200

1 Dated this 8th day of August, 2014.



Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

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Deborah Bortner

DEBORAH BORTNER

Director

Division of Consumer Services

Department of Financial Institutions

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

4 IN THE MATTER OF DETERMINING:
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9 JASON LESNER;
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11 Respondents.

C-14-1524-14-SC01

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

12 **THE STATE OF WASHINGTON TO:** Jason Lesner

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Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions