

## ORDER SUMMARY – Case Number: C-14-1602

**Name(s):** Wealth Educators, Inc d/b/a Legal Educators & Co  
and Legal Educators USA & Company  
Veronica Sesma

**Order Number:** C-14-1602-15-FO01

**Effective Date:** March 27, 2015

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

**License Effect:** N/A

**Not Apply Until:** March 27, 2020

**Not Eligible Until:** March 27, 2020

**Prohibition/Ban Until:** March 27, 2020

<b>Investigation Fee</b>	\$2,236	Due:	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$6,000	Due:	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$NA	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$2,385	Due:	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$NA	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:		One (1)		

Comments: In addition to their legal financial obligations, Respondents are required to cease and desist from engaging in the business of a mortgage broker or loan originator, and are prohibited from participating, in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the Director for a period of five (5) years. Respondents, their officers, employees, and agents are also required to maintain records in compliance with chapter 19.146 RCW, the Mortgage Brokers Practices Act (Act), and provide the Director with the location of the books, records, and other information relating to Respondents' business, 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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**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-14-1602-15-FO01

FINAL ORDER

WEALTH EDUCATORS, INC D/B/A LEGAL  
EDUCATORS & CO and LEGAL EDUCATORS  
USA & COMPANY, and  
VERONICA SESMA, CEO and President,  
  
Respondents.

I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Charles E. Clark (Director's designee), pursuant to RCW 34.05.440(1). On February 13, 2015, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease And Desist Business, Prohibit From Industry, Order Restitution, Impose Fine, Collect Investigation Fee, and Maintain Records (Statement of Charges) against Wealth Educators Inc d/b/a Legal Educators & Co and Legal Educators USA & Company and Veronica Sesma (Respondents). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated February 13, 2015, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents (collectively, accompanying documents).

On February 13, 2015, the Department served Respondents with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery. On February

1 18, 2015, the documents sent by Federal Express overnight delivery were delivered. The documents  
2 sent by First-Class mail were not returned to the Department by the United States Postal Service.

3 Respondents did not request an adjudicative hearing within twenty calendar days after the  
4 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for  
5 in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for his review and  
7 for entry of a final decision included the following:

- 8 1. Statement of Charges, cover letter dated February 13, 2015, Notice of Opportunity  
9 to Defend and Opportunity for Hearing, and blank Applications for Adjudicative  
Hearing for Respondents, with documentation for service; and
- 10 2. Post Office Address Verification Request form completed by the Resada,  
11 California Branch Office of the United States Post Office received by the  
Department of February 17, 2015.

12 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the  
13 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

## 14 II. FINAL ORDER

15 Based upon the foregoing, and the Director's designee having considered the record and being  
16 otherwise fully advised, NOW, THEREFORE:

17 A. IT IS HEREBY ORDERED, That:

- 18 1. Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal  
19 Educators USA & Company and Veronica Sesma cease and desist from engaging  
in the business of a mortgage broker or loan originator;
- 20 2. Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal  
21 Educators USA & Company and Veronica Sesma are prohibited from  
22 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;
- 23 3. Respondents Wealth Educators Inc d/b/a Legal Educators & Co and Legal  
24 Educators USA & Company and Veronica Sesma jointly and severally pay \$2,385  
in restitution to Washington Consumer M.V.;

4. Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA & Company and Veronica Sesma jointly and severally pay a fine of \$6,000;
5. Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA & Company and Veronica Sesma jointly and severally pay an investigation fee of \$2,236; and
6. Respondents Wealth Educators Inc d/b/a Legal Educators & Co and Legal Educators USA & Company and Veronica Sesma, their officers, employees, and agents maintain records in compliance with chapter 19.146 RCW, the Mortgage Brokers Practices Act (Act), and provide the Director with the location of the books, records, and other information relating to Respondents' business, and the name, address, and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition for Reconsideration must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia, Washington 98504-1200, within ten days of service of the Final Order upon Respondents. The Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for Reconsideration a prerequisite for seeking judicial review in this matter.

A timely Petition for Reconsideration is deemed denied if, within twenty days from the date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written notice specifying the date by which it will act on a petition.

C. Stay of Order. The Director's designee has determined not to consider a Petition to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

1 D. Judicial Review. Respondents have the right to petition the superior court for judicial  
2 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
3 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

4 E. Non-compliance with Order. If you do not comply with the terms of this order,  
5 including payment of any amounts owed within thirty days of receipt of this order, the Department  
6 may seek its enforcement by the Office of the Attorney General to include the collection of the fine,  
7 fee, and restitution imposed herein. The Department also may assign the amounts owed to a  
8 collection agency for collection.

9 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial  
10 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
11 attached hereto.

12 DATED this 27<sup>th</sup> day of March, 2015.



14 STATE OF WASHINGTON  
15 DEPARTMENT OF FINANCIAL INSTITUTIONS

16 [Redacted Signature]  
17 CHARLES E. CLARK  
18 Director  
19 Division of Consumer Services  
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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:

WEALTH EDUCATORS, INC D/B/A LEGAL  
EDUCATORS & CO and LEGAL EDUCATORS  
USA & COMPANY, and  
VERONICA SESMA, CEO and President,

Respondents.

No. C-14-1602-15-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 MAINTAIN  
RECORDS

**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. Respondent Wealth Educators, Inc (Respondent Wealth Educators)** was a corporation registered with the California Secretary of State. Respondent Wealth Educators has done business under the names Legal Educators & Co and Legal Educators USA & Company. Respondent Wealth Educators has never been licensed by the State of Washington Department of Financial Institutions ("Department") to conduct business as a mortgage broker.

**B. Respondent Veronica Sesma (Respondent Sesma)** was the CEO and President of Respondent Wealth Educators during the time period relevant to this Statement of Charges.



Respondent Sesma was not licensed by the Department to conduct business as a mortgage broker or loan originator.

**1.2 Unlicensed Activity.** Between at least May 2013 and May 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 a Washington consumer alleging Respondents provided or offered to provide residential mortgage loan modification services while not licensed by the Department to provide those services. Consumer MV paid Respondents \$2,385 for loan modification services.

**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 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. Pursuant to WAC 208-660-006, a person "assists a person in obtaining or applying to obtain a residential

1 mortgage loan” by, among other things, counseling on loan terms (rates, fees, other costs), [and]  
2 preparing loan packages ... .”

3 **2.2 Person Defined.** Pursuant to RCW 19.146.010(17), "Person" means a natural person,  
4 corporation, company, limited liability corporation, partnership, or association.

5 **2.3 Loan Originator Defined.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006, “Loan  
6 originator” means a natural person who for direct or indirect compensation or gain, or in the  
7 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
8 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
9 loan modification services; or holds themselves out to the public as able to perform any of these  
10 activities.

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

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

22 **2.6 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents  
23 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice  
24 toward any person and obtaining property by fraud or misrepresentation.



1 **2.7 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
2 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
3 for engaging in the business of a mortgage broker for Washington residents or property without first  
4 obtaining a license to do so.

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

9 **2.9 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in  
10 Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 16 CFR Part 322  
11 (Mortgage Assistance Relief Services Rule) for taking advance fees for loan modification services.

12 **2.10 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
13 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a  
14 location that is on file with and readily available to the Department until at least three years have  
15 elapsed following the effective period to which the books and records relate.

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

17 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
18 Director may issue orders directing any person subject to the Act to cease and desist from conducting  
19 business.

20 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
21 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
22 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
23 mortgage broker or any person subject to licensing under the Act for any violation of this chapter.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against any person 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 person subject to the Act for any violation of the Act.

5 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-  
6 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted  
7 to an investigation of any person subject to 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 Director's intent to ORDER that:

12 **4.1** Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA &  
13 Company and Veronica Sesma cease and desist engaging in the business of a mortgage broker  
or loan originator;

14 **4.2** Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA &  
15 Company and Veronica Sesma 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  
16 (5) years;

17 **4.3** Respondents Wealth Educators, Inc d/b/a Stargate Mutual & Associates d/b/a Legal Educators  
& Co and Veronica Sesma jointly and severally pay restitution to the one consumers identified  
18 by the Department in paragraph 1.2 in the amount set forth therein, and that Respondents  
jointly and severally pay restitution to each Washington consumer with whom they entered into  
19 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  
20 Washington consumer for those services in an amount to be determined at hearing;

21 **4.4** Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA &  
Company and Veronica Sesma jointly and severally pay a fine, which as of the date of this  
22 Statement of Charges totals \$6,000;

23 **4.5** Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA &  
Company and Veronica Sesma jointly and severally pay an investigation fee, which as of the  
24 date of this Statement of Charges totals \$2,236; and

1 4.6 Respondents Wealth Educators, Inc d/b/a Legal Educators & Co and Legal Educators USA &  
2 Company and Veronica Sesma maintain records in compliance with the Act and provide the  
3 Department with the location of the books, records, and other information relating to  
4 Respondents' provision of residential mortgage loan modification services in Washington, and  
5 the name, address and telephone number of the individual responsible for maintenance of such  
6 records in compliance with the Act.

## 7 V. AUTHORITY AND PROCEDURE

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

13 Dated this 13<sup>th</sup> day of February, 2015.



14 [Redacted Signature]  
15 CHARLES E. CLARK  
16 Director, Division of Consumer Services  
17 Department of Financial Institutions

18 Presented by:

19 [Redacted Signature]  
20 BARBARA PENTTILA  
21 Financial Legal Examiner

22 Approved by:

23 [Redacted Signature]  
24 STEVEN C. SHERMAN  
Enforcement Chief