

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

Before the Commissioner of the Division of Mortgage Lending

_____))
In the Matter of:))
)) Order No.: 2012-27
Falcon Credit Management LLC,))
License No. 3379,))
Respondent.))
_____)

CONSENT ORDER
TO CEASE AND DESIST VIOLATING NRS 645F AND
MAKE RESTITUTION AND PAY INVESTIGATIVE COSTS

Issued and Entered,
This 28th day of November, 2012,
By James Westrin,
Commissioner

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") having been statutorily charged with the responsibility and authority to administer and enforce Chapter 645F of the Nevada Revised Statutes, NRS 645F.010 *et seq.*, (the "Act"), and Chapter 645F of the Nevada Administrative Code, NAC 645F.005 *et seq.*, (the "Regulation"), governing the licensing and conduct of covered service providers in the State of Nevada; and,

The Commissioner having been granted general supervisory power and control over all covered service providers doing business in the State of Nevada pursuant to the Act; and,

FALCON CREDIT MANAGEMENT LLC ("RESPONDENT") having made application for and been granted a license by the Commissioner as an independent covered service provider licensee, License No. 3379, pursuant to provisions of the Act, on January 15, 2010, to conduct covered service provider activity from its office located at 8430 West Lake Mead Boulevard, Suite 100, Las Vegas, Nevada; and,

1 RESPONDENT having been licensed by the Division of Mortgage Lending (the "Division")
2 pursuant to the Act at all times relevant to this matter and, therefore, subject to the jurisdiction of the
3 Commissioner; and,

4 The Division having received a complaint against RESPONDENT alleging that RESPONDENT
5 was engaged in activities or practices that violate the Act; and,

6 The Division staff having commenced a full and thorough investigation of such complaint
7 pursuant to Section 435 of the Regulation, NAC 645F.435, and during such investigation determined
8 that, as a general business practice and contrary to NRS 645F.405, RESPONDENT claimed, demanded,
9 charged, collected or received fees from homeowners prior to successfully obtaining a covered service
10 for the homeowner; and,

11 RESPONDENT having been served on or about June 5, 2012 with a Notice of Opportunity to
12 Show Compliance providing Respondent with (1) notice of facts or conduct which warrant disciplinary
13 action against RESPONDENT'S license and (2) notice of its opportunity to show compliance with all
14 lawful requirements for the retention of its license, in accordance with NRS 233B.127(3); and,

15 RESPONDENT and Division staff having discussed the alleged violations at an informal
16 opportunity to show compliance conference on June 21, 2012, and, from discussions at that informal
17 conference and subsequent information obtained by the Division, it was determined that:

18 (1) RESPONDENT had claimed, demanded, charged, collected or received fees from nine
19 (9) homeowners prior to successfully obtaining a covered service for the homeowner; and,

20 (2) RESPONDENT, while acknowledging that it was a violation of the Act to claim,
21 demand, charge, collect or receive fees from a homeowner prior to successfully obtaining a covered
22 service for the homeowner, asserts that it was not a willful or knowing violation; and,

23 (3) RESPONDENT, has failed to pay, within a reasonable time, the Division's AG and CPA
24 assessment for Fiscal Year 2013, in the amount of, including late fees, of \$252.40; and

25 RESPONDENT and Division staff having conferred and determined to resolve this matter
26 pursuant to the following terms:

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1 1. RESPONDENT agrees to cease and desist from violating NRS 645F.405 by claiming,
2 demanding, charging, collecting or receiving fees from a homeowner prior to successfully obtaining a
3 covered service for the homeowner;

4 2. RESPONDENT agrees to make restitution to each of the nine (9) homeowners, in three
5 (3) phases, as follows:

6 a. Within 40 days of the entry of this Order, RESPONDENT will refund the amount
7 of Three Thousand Three Hundred Twelve Dollars and No Cents (\$3,312.00) to client OB, representing
8 an amount equal to the amount that the homeowner paid to RESPONDENT prior to RESPONDENT
9 obtaining a covered service for the homeowner. The refund check will be accompanied by an
10 explanatory letter notifying the homeowner why they are receiving the refund check;

11 b. Within 80 days of the entry of this Order, RESPONDENT will refund pending
12 clients the amount of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) to clients JV
13 and VM, the amount of Three Thousand Five Hundred Dollars and No Cents (\$3,500.00) to client DH,
14 the amount of Five Thousand Seven Hundred Dollars and No Cents (\$5,700.00) to client JD, and the
15 amount of Two Thousand Seven Hundred Dollars and No Cents (\$2,700.00) to client AC, representing
16 an amount equal to the amounts that the homeowners paid to RESPONDENT prior to RESPONDENT
17 obtaining a covered service for the homeowners. The refund checks will be accompanied by an
18 explanatory letter notifying the homeowners why they are receiving the refund check;

19 c. Within 120 days of the entry of this Order, RESPONDENT will refund clients
20 that received services, but were charged upfront fees prior to RESPONDENT obtaining a covered
21 service for the homeowners, the amount of Three Thousand Dollars and No Cents (\$3,000.00) to clients
22 RI & DI, the amount of Three Thousand Two Hundred Dollars and No Cents (\$3,200.00) to clients GR
23 & GR, the amount of One Thousand Ninety-Eight Dollars and No Cents (\$1,098.00) to client LM and
24 the amount of Three Thousand Two Hundred Dollars and No Cents (\$3,200.00) to client DL. The
25 refund checks will be accompanied by an explanatory letter notifying the homeowners why they are
26 receiving the refund check;

27 d. Within 60 days of the date of each refund phase as provided in paragraphs (2) (a),
28 (b), and (c) of this Order, RESPONDENT agrees to submit to the Division all of the following: (1) a

1 spreadsheet, in excel or other similar Division approved format, that provides the name, address and
2 telephone number of each homeowner that was due a refund, the amount of refund that the homeowner
3 was due, the date that the refund check was mailed to the homeowner, the check number and amount,
4 and the date that the refund check was cashed by the homeowner; and (2) a copy of the front and back
5 of the issued check and cancelled check;

6 e. In the event that RESPONDENT is unable to make a refund to a homeowner that
7 is due a refund under this Order, because RESPONDENT is unable to locate the homeowner or
8 otherwise, RESPONDENT agrees to send any such refund to the State of Nevada, Office of the State
9 Treasurer in accordance with Nevada's unclaimed property law. Respondent agrees to submit to the
10 Division a report providing information concerning any refund that was unable to be made to a
11 homeowner and must be sent to the State of Nevada, Office of the State Treasurer;

12 f. Regardless of whether RESPONDENT was subsequently successful in obtaining
13 a covered service for a homeowner that is due a refund under this Order, RESPONDENT agrees to not
14 invoice, claim, demand, charge, collect, or receive the refunded amount, or any portion thereof, from the
15 homeowner for any service whatsoever that is connected to the transactions that are the subject of this
16 Order.

17 3. RESPONDENT agrees to pay the Division's investigative costs in the amount of Seven
18 Hundred Eighty Dollars and No Cents (\$780.00); and,

19 4. RESPONDENT agrees to pay the Division's AG and CPA Assessment in the amount of
20 Two Hundred Fifty-Two Dollars and 40 Cents (\$252.40); and,

21 Respondent's president, qualified-employee, and majority shareholder, Damian Falcone, having
22 knowingly and voluntarily affixed his signature to the attached VOLUNTARY CONSENT TO ENTRY
23 OF CONSENT ORDER, incorporated herein by this reference, has consented to the issuance of this
24 CONSENT ORDER TO CEASE AND DESIST FROM VIOLATING NRS 645F, MAKE
25 RESTITUTION AND PAY INVESTIGATIVE COSTS (the "Order") with the intent to be legally
26 bound hereby, and has waived and relinquished any and all rights that Respondent may now or hereafter
27 have to an administrative hearing in this matter or to judicial review of, or otherwise challenge or
28 contest, the entry of this Order; and,

1 Respondent having had opportunity to consult with legal counsel of its choosing concerning this
2 matter; and,

3 The Commissioner having determined that the terms of this ORDER are a reasonable resolution
4 of this matter and in the public interest.

5 NOW, THEREFORE, IT IS HEREBY ORDERED that:

6 1. RESPONDENT shall CEASE AND DESIST from violating NRS 645F.405.

7 2. RESPONDENT shall make RESTITUTION to each of the nine (9) homeowners as
8 follows:

9 a. Within 40 days of the entry of this Order, RESPONDENT shall refund the
10 amount of Three Thousand Three Hundred Twelve Dollars and No Cents (\$3,312.00) to client OB,
11 representing an amount equal to the amount that the homeowner paid to RESPONDENT prior to
12 RESPONDENT obtaining a covered service for the homeowner. The refund check shall be
13 accompanied by an explanatory letter notifying the homeowner why they are receiving the refund check;

14 b. Within 80 days of the entry of this Order, RESPONDENT shall refund pending
15 clients the amount of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) to clients JV
16 and VM, the amount of Three Thousand Five Hundred Dollars and No Cents (\$3,500.00) to client DH,
17 the amount of Five Thousand Seven Hundred Dollars and No Cents (\$5,700.00) to client JD, and the
18 amount of Two Thousand Seven Hundred Dollars and No Cents (\$2,700.00) to client AC, representing
19 an amount equal to the amounts that the homeowners paid to RESPONDENT prior to RESPONDENT
20 obtaining a covered service for the homeowners. The refund checks shall be accompanied by an
21 explanatory letter notifying the homeowners why they are receiving the refund check;

22 c. Within 120 days of the entry of this Order, RESPONDENT shall refund clients
23 that received services, but were charged upfront fees prior to RESPONDENT obtaining a covered
24 service for the homeowners, the amount of Three Thousand Dollars and No Cents (\$3,000.00) to clients
25 RI & DI, the amount of Three Thousand Two Hundred Dollars and No Cents (\$3,200.00) to clients GR
26 & GR, the amount of One Thousand Ninety-Eight and No Cents (\$1,098.00) to client LM and the
27 amount of Three Thousand Two Hundred Dollars and No Cents (\$3,200.00) to client DL. The refund
28

1 checks shall be accompanied by an explanatory letter notifying the homeowners why they are receiving
2 the refund check;

3 d. Within 60 days of the date of each refund phase as provided in paragraphs (2) (a), (b),
4 and (c) of this Order, RESPONDENT shall submit to the Division all of the following: (1) a
5 spreadsheet, in excel or other similar Division approved format, that provides the name, address and
6 telephone number of each homeowner that was due a refund, the amount of refund that the homeowner
7 was due, the date that the refund check was mailed to the homeowner, the check number and amount,
8 and the date that the refund check was cashed by the homeowner; and (2) a copy of the front and back
9 of the issued check and cancelled check;

10 e. In the event that RESPONDENT is unable to make a refund to a homeowner that is due
11 a refund under this Order, because RESPONDENT is unable to locate the homeowner or otherwise,
12 RESPONDENT shall send any such refund to the State of Nevada, Office of the State Treasurer in
13 accordance with Nevada's unclaimed property law. Respondent agrees to submit a report providing
14 information concerning any refund that was unable to be made to a homeowner and must be sent to the
15 State of Nevada, Office of the State Treasurer;

16 f. Regardless of whether RESPONDENT was subsequently successful in obtaining a
17 covered service for a homeowner that is due a refund under this Order, RESPONDENT shall not
18 invoice, claim, demand, charge, collect, or receive the refunded amount, or any portion thereof, from the
19 homeowner for any service whatsoever that is connected to the transactions that are the subject of this
20 Order.

21 3. RESPONDENT shall pay to the Division its INVESTIGATIVE COSTS in the amount of
22 Seven Hundred Eighty Dollars and No Cents (\$780.00). The INVESTIGATIVE COSTS shall be due
23 and payable within 30 days from the date of entry of this order.

24 4. RESPONDENT shall pay to the Division its AG and CPA ASSESSMENT in the amount
25 of Two Hundred Fifty Two Dollars and FORTY CENTS (\$252.40). The AG and CPA ASSESSMENT
26 shall be due and payable within 30 days from the date of entry of this order.

27 5. This Order shall be and is effective and enforceable on the date that it is issued, as shown
28 in the caption hereof.

