STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: JAVIER ANTONIO BANUELAS URUETA, and CONSOLIDEBT SOLUTIONS LLC, Respondents.	Case No. M-24-0054 FINAL ORDERS TO CEASE AND DESIST, REVOKING LICENSE AND IMPOSING PERMANANENT PROHIBITION, ENTERED BY DEFAULT

The Division of Financial Regulation ("DFR"), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), conducted an investigation of Javier Antonio Banuelas Urueta ("Banuelas") and ConsoliDebt Solutions LLC ("ConsoliDebt") (collectively, "Respondents"), and determined that Banuelas violated certain provisions of Oregon Revised Statutes ("ORS") chapter 86A.095 to 86A.992 (the "Oregon Mortgage Lending Law") and the Oregon Administrative Rules ("OAR") promulgated under those laws, and that Respondents violated certain provisions of ORS 697.602, *et seq*. and Oregon Administrative Rules ("OAR") 441-910-0000 through 441-910-0200 (collectively, "Oregon Debt Management Service Provider Law").

On December 12, 2024 the Director issued and served on ConsiDebt an Order to Cease and Desist, Proposed Orders Revoking License and Imposing Permanent Prohibition, and Notice of Right to an Administrative Hearing (the "Notice Order"). On January 9, 2025, the Director served the Notice Order on Banuelas. The Notice Order offered Respondents an opportunity for a hearing if requested within 20 days of service of the Notice Order. The Notice Order further informed Respondents that if a hearing was not conducted because they did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Respondents in the case would automatically become part of the contested case record for the purpose of

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proving a prima facie case.

FINDINGS OF FACT

The Director FINDS that:

1. Banuelas was, at all times relevant to this matter, a resident of Oregon and Washington, and was the person responsible for operating ConsoliDebt. Banuelas, whose Nationwide Multistate Licensing System and Registry ("NMLS") number is 1647619, holds a mortgage loan originator license with DFR.

2. ConsoliDebt is a business entity that conducted business in Oregon, but it did not register with the Oregon Secretary of State's Office. It is registered with the Washington Secretary of State's Office, where the sole person associated with the entity is Dalia Castilleja, a known associate of Banuelas, but Banuelas was the central person operating the business. ConsoliDebt held itself out as a credit repair agency, but it is not registered as a debt management service provider with DFR.

3. On November 22, 2022, DFR received a tip from a mortgage loan originator licensee that Banuelas was "stealing money from clients" by charging upfront money for alleged credit repairs, so the clients could be pre-approved for a mortgage. However, the clients later learned that their credit has not been repaid, or repaired.

4. DFR opened an investigation into Banuelas and was able to locate and contact two of Banuelas's alleged victims, a married couple residing in the state of Oregon hereafter referred to as "RF" and "FC." RF and FC alleged that they attempted to obtain a mortgage loan through Banuelas, who advised them that they would need to repair their credit in order to do so. He recommended that they contact ConsoliDebt for assistance, without disclosing his own involvement in that business.

5. RF and FC followed Banuelas's recommendation, and were subsequently advised by a ConsoliDebt representative calling herself "Vanessa." This person told RF and FC that they should deposit $2,900 and $2,200, respectively, with ConsoliDebt, which

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would then use the money to fix the couple's credit issues.

6. Despite having received $5,300 from RF and FC, ConsoliDebt did not perform any actual debt management service provider services for them, did not perform any budget analysis related to RF and FC, and did not make any effort to evaluate whether ConsoliDebt's services would be advantageous for them.

7. On April 2, 2024, Banuelas was indicted in the U.S. District Court for the District of Oregon on one count of conspiracy to commit mail and wire fraud in violation of 18 U.S.C. § 1349, four counts of mail fraud in violation of 18 U.S.C. § 1341, and two counts of wire fraud in violation of 18 U.S.C. § 1343. All seven counts were related to his operation of ConsoliDebt, in Criminal Docket No. 3:24-cr-00121.

8. On August 1, 2024, Banuelas entered into a plea agreement whereby he pleaded guilty to one count of conspiracy to commit mail and wire fraud in violation of 18 U.S.C. § 1349, one count of mail fraud in violation of 18 U.S.C. § 1341, and one count of wire fraud in violation of 18 U.S.C. § 1343.

9. In his signed admission letter, as well as his signed plea petition filed with the court, Banuelas also agreed that he and his co-conspirators ran the business known as ConsoliDebt. He further admitted that he had paid for radio advertisements for ConsoliDebt for five years telling people to call for help with debt consolidation. Banuelas admitted that the phone number given in the advertisements was answered by himself, and he would discuss victims' debts with them. He also admitted that he and co-conspirators would then create a payment plan for the victims, promising to handle debt repayment for them within a certain amount of time. He admitted that victims would send monthly payments as instructed by check, money order, and bank wire, and that monthly statements were sent to victims showing what they had paid, the remaining debt, and how many months of payments remained.

10. Banuelas also admitted that the money that victims provided to ConsoliDebt

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was deposited into bank accounts associated with the business, which Banuelas controlled, and that the money was then transferred from the business bank accounts to his personal bank accounts. Banuelas then spent this money on personal expenses or sent it overseas.

11. There were over ten victims of ConsoliDebt's and Banuelas's fraud identified in Banuelas's criminal case, two of which were RF and FC.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

12. Pursuant to ORS 86A.224(1)(a), the Director may revoke a mortgage loan originator's license and permanently prohibit a person from conducting business as a mortgage loan originator if the licensee violates a provision of ORS 86A.200 to 86A.239.

13. Under to 86A.224(4)(a)(D), it is a violation for a person to knowingly employ a device, scheme or artifice to defraud or engage in an act, practice or course of business that operates or would operate as a fraud or deceit.

14. Banuelas violated ORS 86A.224(4)(a)(D) frequently and repeatedly by inducing at least ten victims to remit payments to ConsoliDebt in exchange for having their debt repaired, even though he knew that ConsoliDebt would fraudulently transfer their money directly to himself and his co-conspirators without providing the promised services.

15. ORS 697.612(1)(a) prohibits persons not registered with the Director from performing debt management services. Under ORS 697.602(2)(b) "Debt Management Service" includes "[i]mproving or offering to improve or preserve a consumer's credit record, credit history or credit rating."

16. ConsoliDebt and Banuelas, through his operational control of ConsoliDebt, violated ORS 697.612(1)(a) in at least ten instances by offering to provide debt management services to Oregon victims, without being registered with the Director as a

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Debt Management Service Provider ("DMSP"), related to improving their credit record,

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credit history or credit rating.

17. Under ORS 697.652(2), a DMSP may not contract to perform debt management services for a consumer without first giving the consumer an analysis of the consumer's budget that evaluates whether the debt management services being offered are advantageous to the consumer.

18. By failing to provide the RF and FC with a separate budget analysis, ConsoliDebt and Banuelas, through his operational control of ConsoliDebt, violated ORS 697.652(2) in at least one instance.[1]

19. Under ORS 697.692(1), a DMSP may charge a consumer only the fees itemized in ORS 697.692(1)(a) to (f), and under ORS 697.692(1)(a), and an initial fee charged by a DMSP may not exceed $50.

20. By charging RF and FC initial fees of $2,900 an $2,200, respectively, ConsoliDebt and Banuelas, through his operational control of ConsoliDebt, violated ORS 697.692(1)(a) in at least two instances.

21. Pursuant to ORS 86A.224(2)(a), because the Director has reason to believe that that Banuelas engaged in violations of the Oregon Mortgage Lending Law—specifically as it pertains to mortgage loan originator licensees—the Director may issue an order to Banuelas to cease and desist from violating a provision of ORS 86A.200 to 86A.239 and to stop business related to mortgage loan origination.

22. Pursuant to ORS 697.825(1)(a), because the Director has reason to believe that Respondents have engaged in violations of the Oregon Debt Management Service Provider Law, the Director may issue an order to Respondents to cease and desist from violations of ORS 697.612, ORS 697.652(2), and ORS 697.692(1).[2]

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[1] RF and FC, as a married couple, presumably share a budget, and as such, Respondents would have only been required to provide a single budget analysis under ORS 697.652(2).

[2] Pursuant to ORS 86A.224(2)(c) the Director may order Banuelas to pay restitution to his victims, and pursuant to ORS 86A.224(3)(a) the Director may order Banuelas to pay civil penalties of $5,000 for each of the ten violations described in this paragraph, for a total civil penalty amount of $50,000. Additionally,

ORDERS

The Director issues the following ORDERS:

Orders to Cease and Desist

23. Pursuant to the authority of ORS 86A.224(2), the Director hereby ORDERS Banuelas to CEASE AND DESIST from violating ORS 86A.200 to 86A.239 and to stop business related to mortgage loan origination.

24. Pursuant to ORS 697.825(1)(a) the Director hereby ORDERS Respondents to CEASE AND DESIST from violating ORS 697.612, ORS 697.652(2), and ORS 697.692(1).

Order Revoking License and Imposing Permanent Prohibition

25. As authorized by ORS 86A.224(1)(a), the Director hereby ORDERS that Banuelas's mortgage loan originator license is REVOKED and that Banuelas is PERMANENTLY PROHIBITED from conducting business as a mortgage loan originator in the State of Oregon.

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DESIGNATION OF FINAL ORDER

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pursuant to ORS 697.832(1), the Director may order Banuelas to pay civil penalties of $5,000 for each of the ten violations of ORS 697.612(1)(a), $5,000 for the single violation of ORS 697.652(2), and $5,000 for each of the two violations of 697.692(1)(a), for a total civil penalty amount of $65,000. Ordinarily, given the nature of Banuelas's violations, the Director would order restitution, at a minimum, and would likely order that Banuelas pay a full combined civil penalty of $115,000 also. However, the Director has determined, based upon facts that have been revealed in Banuelas's criminal proceeding, that most of his assets have been spent or transferred to unknown locations. Additionally, prosecutors in his criminal case anticipate that an order of restitution will be entered there. In order to ensure that such efforts are not duplicated, and also to ensure that the maximum amount of Banuelas's assets are returned to his victims, the Director has opted to seek neither restitution nor civil penalties here. However, this decision should in no way be construed as precedential in future matters before the Director that are otherwise similar factually.

26. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 12TH day of February 2025.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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