

1  
2  
3  
4  
5  
6

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING )  
Whether there has been a violation of the ) OAH No.: 11-2015-DFI-00023  
Securities Act of Washington by: ) DFI No.: S-12-1065-16-FO01  
Steven Eugene Ling, )  
Respondent. ) FINAL ORDER AS TO STEVEN EUGENE LING

---

7 THIS MATTER has come before the Director ("Director") of the Washington State Department of Financial  
8 Institutions ("Department") for entry of the Director's Final Decision & Order pursuant to RCW 34.05.464.

9 1.0 PROCEDURAL HISTORY

10 On May 7, 2015, the Director, through Securities Administrator, William M. Beatty, entered a Statement of  
11 Charges and Notice of Intent to Issue Order to Cease and Desist, to Impose Fines and to Charge Costs, S-12-1065-15-  
12 SC02, ("Statement of Charges") against Respondent Steven Eugene Ling ("Respondent"). The Statement of Charges,  
13 together with a Notice of Opportunity to Defend and Opportunity for Hearing, and an Application for Adjudicative  
14 Hearing, were served on Respondent, by certified mail on May 29, 2015. On June 8, 2015, Respondent submitted an  
15 Application for Adjudicative Hearing.

16 On November 23, 2015, OAH issued a Notice of Prehearing Conference from ALJ Terry A. Shuh. The  
17 Department's representative, Assistant Attorney General Ian McDonald ("AAG McDonald") and Respondent Steven  
18 Eugene Ling attended the prehearing conference. On December 23, 2015, ALJ Shuh issued a Prehearing Conference  
19 Order and Notice of Hearing that set the hearing for July 25-27, 2016.

20 On July 19, 2016, after the parties had reached a settlement in principle and with the agreement of  
21 Respondent, AAG McDonald contacted OAH to request that the hearing be stricken and that a status conference be  
22 set several weeks after the hearing date to confirm whether a settlement had been reached. On July 21, 2016, ALJ  
23 Shuh issued and served on the parties an Order Granting Continuance and Notice of Status Conference ("Order  
24 Granting Continuance") that set a status conference for August 26, 2016.

1 The Order Granting Continuance contained the following language: "The parties should presume the status  
2 conference will occur until and unless formally notified by the Office of Administrative Hearings that it has been  
3 struck or re-scheduled." It further stated, "You must call in to the status conference. If you fail to call in, the  
4 administrative law judge may hold you in default and dismiss your appeal. RCW 34.05.440(2)." OAH never struck or  
5 rescheduled the status conference. The Department and Respondent failed to reach a settlement prior to the status  
6 conference.

7 On August 26, 2016, AAG McDonald attended the status conference by telephone, but Respondent Steven  
8 Eugene Ling failed to appear or otherwise contact OAH. On August 29, 2016, ALJ Shuh issued and served on the  
9 parties an Initial Order Dismissing Appeal that found Respondent Steven Eugene Ling in default under RCW  
10 34.05.440 and dismissed his appeal ("Default Order"). The Default Order notified Respondent of his right to file a  
11 request to vacate the order, and provided instructions for doing so. The Default Order further notified Respondent  
12 that such a request must be received by OAH within seven days from the date of service.

13 Pursuant to RCW 34.05.440(3), Respondent Steven Eugene Ling had seven (7) days from the date of service  
14 of the Default Order to file a written request to vacate the default. Respondent Steven Eugene Ling did not file a  
15 request to vacate the Default Order during the statutory period.

16 2.0 RECORD ON REVIEW

17 The record presented to the Director for his review and for entry of a Final Decision & Order included the  
18 following:

- 19 2.1 Statement of Charges, with documentation of service;
- 20 2.2 Application for Adjudicative Hearing for Steven Eugene Ling;
- 21 2.3 Notice of Prehearing Conference, dated November 23, 2015, with certificate of service;
- 22 2.4 Prehearing Conference Order and Notice of Hearing, dated December 23, 2015, with certificate of  
23 service;
- 24 2.5 Order Granting Continuance and Notice of Status Conference, dated July 21, 2016, with certificate of  
25 service; and

2.6 Initial Order Dismissing Appeal, dated August 29, 2016, with certificate of service.

3.0 FINDINGS OF FACT AND CONCLUSIONS OF LAW

Pursuant to RCW 34.05.461, the Director hereby adopts the Statement of Charges, which is attached hereto.

4.0 FINAL DECISION & ORDER

Based upon the foregoing, and the Director having considered the record and being otherwise fully advised,

NOW, THEREFORE, IT IS HEREBY ORDERED:

4.1 Respondent, Steven Eugene Ling, shall cease and desist from any further violations of RCW 21.20.010.

4.2 Respondent, Steven Eugene Ling, shall be liable for and shall pay a fine of \$10,000 .

4.3 Respondent, Steven Eugene Ling, shall be liable for and shall pay costs of \$1,000 for the investigation of their violations of the Securities Act of Washington, chapter 21.20. RCW.

5.0 RECONSIDERATION

Pursuant to RCW 34.05.470, the Respondent has the right to file a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition 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 (10) days of service of the Final Order upon Respondent. 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 (20) 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.

6.0 STAY OF ORDER

The Director 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  
2 7.0 JUDICIAL REVIEW

3 Respondent has the right to petition the superior court for judicial review of this agency action under the  
4 provisions of chapter 34.05 RCW. For the requirements for filing a Petition for Judicial Review, see RCW  
5 34.050.510 and sections following.

6 8.0 NON-COMPLIANCE WITH ORDER

7 If Respondent does not comply with the terms of this order, the Department may seek its enforcement by the  
8 Office of Attorney General to include the collection of fines and fees imposed herein. Failure to comply with this  
9 Final Decision & Order may also prompt additional actions against Respondent by the Department as permitted by the  
10 Securities Act of Washington, Chapter 21.20 RCW, for failure to comply with a lawful order of the Department.

11 9.0 SERVICE

12 For purposes of filing a Petition for Reconsideration or a Petition for Judicial Review, service is effective  
13 upon deposit of this order in the U.S. mail with a declaration of service attached hereto.

14 DATED this 26<sup>th</sup> day of October 2016.



15 STATE OF WASHINGTON  
16 DEPARTMENT OF FINANCIAL INSTITUTIONS

17 

18 SCOTT JARVIS, Director  
19 Washington State Department of Financial Institutions