

Terms Completed

ORDER SUMMARY – Case Number: C-07-243

Name(s): John Russell Murphy

Order Number: C-07-243-08-FO01

Effective Date: March 24, 2008

License Number: DFI: 37514

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
If applicable, you must specifically note the ending dates of terms.

License Effect: Denial

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until:

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input 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:

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF INVESTIGATING
the Loan Originator License Application under the
Mortgage Broker Practices Act of Washington by:

JOHN RUSSELL MURPHY,
Respondent.

NO. C-07-243-08-FO01

FINAL ORDER

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 Deborah Bortner, pursuant to RCW 34.05.440(2). On July 11, 2007, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Deny License Application (Statement of Charges). 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 July 11, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing. The Department served the Statement of Charges, cover letter dated July 11, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent on July 11, 2007 by first class mail and Federal Express overnight delivery. On July 20, 2007, Respondent filed an Application for Adjudicative Hearing. On July 23, 2007, the Department made a request to the Office of Administrative Hearings (OAH) to assign an Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges.

1 On August 27, 2007, OAH issued a Notice of Prehearing Conference, and on August
2 27, 2007, a Notice of Assignment of Administrative Law Judge was issued assigning ALJ Barbara
3 Boivin (ALJ Bovin) to preside over prehearing and hearing proceedings and issue an Initial Decision.
4 On August 27, 2007, ALJ Boivin issued an Order for Telephonic Prehearing Conference scheduling a
5 prehearing conference on Wednesday, September 24, 2007 at 8:30 a.m. That Order contained the
6 following instruction to the parties: "You must provide the Office of Administrative Hearings with a
7 telephone number where you can be reached at the hearing time." That Order also noted "If you fail to
8 appear or participate in the prehearing conference, hearing, or any other scheduled stage of these
9 proceedings, you may lose your right to a hearing as described in RCW 34.05.440."
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11 On September 25, 2007, OAH issued an Initial Decision and Order of Dismissal. The
12 proceeding was dismissed pursuant to RCW 34.05.440 by ALJ Boivin, as on September 24, 2007,
13 Respondent Murphy failed to appear for the prehearing conference.

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

- 16 1. Statement of Charges, cover letter dated July 11, 2007, and Notice of Opportunity to
17 Defend and Opportunity for Hearing, with documentation of service;
- 18 2. Application for Adjudicative Hearing;
- 19 3. Request to OAH for Assignment of Administrative Law Judge;
- 20 4. Notice of Prehearing Conference;
- 21 5. Notice of Assignment of ALJ;
- 22 6. Initial Decision and Order of Dismissal.

23 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(2), the
24 Director's designee hereby adopts the Statement of Charges, which is attached hereto.
25

1 II. FINAL ORDER

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

4 A. IT IS HEREBY ORDERED, That:

5 1. Respondent John Russell Murphy's application for a loan originator license is denied.

6 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
7 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
8 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
9 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
10 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
11 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
12 Reconsideration a prerequisite for seeking judicial review in this matter.
13

14 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
15 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
16 notice specifying the date by which it will act on a petition.

17 C. Stay of Order. The Director's designee has determined not to consider a Petition
18 to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
19 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.
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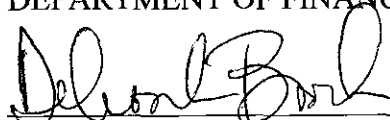
21 D. Judicial Review. Respondent has the right to petition the superior court for judicial
22 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing
23 a Petition for Judicial Review, see RCW 34.05.510 and sections following.
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1 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
2 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
3 attached hereto.

4 DATED this 24th day of March, 2008.



6 STATE OF WASHINGTON
7 DEPARTMENT OF FINANCIAL INSTITUTIONS

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9 DEBORAH BORTNER
10 DIRECTOR
11 DIVISION OF CONSUMER SERVICES
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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF INVESTIGATING
the Loan Originator License Application under the
Mortgage Broker Practices Act of Washington by:

JOHN RUSSELL MURPHY,

Respondent.

NO. C-07-243-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO DENY LICENSE APPLICATION

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)¹. After having conducted an investigation pursuant to RCW 19.146.310, 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 Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondent John Russell Murphy (Respondent Murphy) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Aventus, Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about December 26, 2006.

1.2 Prior Criminal Acts. On February 20, 2002, Respondent Murphy was convicted in King County Superior Court for one count of Possession with the Intent to Manufacture or Deliver MDMA (Ecstasy), a felony, pursuant to RCW 69.50.401(a)(1)(i).

¹ RCW 19.146 (Amended 2006; Effective January 1, 2007)

1 **II. GROUNDS FOR ENTRY OF ORDER**

2 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
3 Respondent Murphy fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by
4 having been convicted of a felony within seven years of the filing of the present application.

5 **III. AUTHORITY TO IMPOSE SANCTIONS**

6 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
7 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the
8 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
9 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
10 of the denial.

11 **IV. NOTICE OF INTENTION TO ENTER ORDER**

12 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
13 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
14 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.
15 Therefore, it is the Director's intention to ORDER that:

16 **4.1** Respondent John Russell Murphy's application for a loan originator license be denied.

17 **V. AUTHORITY AND PROCEDURE**

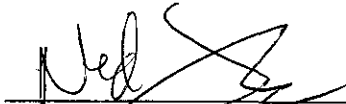
18 This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application
19 (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW
20 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative
21 Procedure Act). Respondent may make a written request for a hearing as set forth in the NOTICE OF
22 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of
23 Charges.
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1 Dated this 17th day of July, 2007.

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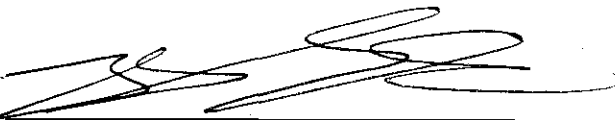
4 DEBORAH BORTNER
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by:

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11 NED JURSEK
12 Financial Legal Examiner

13 Approved by:

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15 

16 FATIMA BATIE
17 Financial Legal Examiner Supervisor

