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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:

NO. C-07-358-07-CO01

RYAN JOSEPH LANGE,

CONSENT ORDER

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Ryan Joseph Lange (hereinafter Respondent Lange), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent Lange have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-07-358-07-SC01 (Statement of Charges), entered September 27, 2007, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent Lange hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Consent Order.

The parties intend this Consent Order to fully resolve the Statement of Charges.

A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

CONSENT ORDER
C-07-358-07-CO01
RYAN JOSEPH LANGE

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **B. Waiver of Hearing.** It is AGREED that Respondent Lange has been informed of the right to a
2 hearing before an administrative law judge, and that he is hereby waiving his right to a hearing and any and all
3 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.
4 Accordingly, Respondent Lange agrees to withdraw his appeal.

5 **C. No Longer Operating as a Loan Originator.** It is AGREED that Respondent Lange represents that
6 he stopped operating as a loan originator requiring a license as of October 2, 2007, and is not operating as a
7 loan originator requiring a license. Further, Respondent Lange UNDERSTANDS and AGREES:

- 8 1. On February 13, 2004, in the Superior Court of Washington for King County, Case No.
9 04-1-09346-1 SEA, Respondent Lange was charged with the crime of Theft in the
10 Second Degree, pursuant to RCW 9A.56.040(1)(a) and 9A.56.020(1)(a), a felony. On
11 April 29, 2004, in the Superior Court of Washington for King County, Case No. 04-1-
12 09346-1 SEA, Respondent Lange pleaded guilty to Attempted Theft in the Second
13 Degree, pursuant to 9A.56.040(1)(a), 9A.56.020(1)(a) and 9A.28.020, a gross
14 misdemeanor.
- 15 2. On January 27, 2006, in the Superior Court of Washington for King County, Case No.
16 04-1-09346-1 SEA, an Order of Dismissal and Termination of Supervision was
17 entered.
- 18 3. Application for licensure as a loan originator is pending and will be returned to the
19 Licensing Unit for further processing.
- 20 4. Before he can operate as a loan originator, Respondent Lange must obtain the required
21 license from the Department, unless otherwise exempt.

22 **D. Non-Compliance with Order.** It is AGREED that Respondent Lange understands that failure to
23 abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In
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1 the event of such legal action, Respondent Lange may be responsible to reimburse the Director for the cost
2 incurred in pursuing such action, including but not limited to, attorney fees.

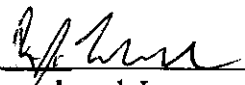
3 E. **Voluntarily Entered.** It is AGREED that the undersigned Respondent Lange has voluntarily entered
4 into this Consent Order, which is effective when signed by the Director's designee.

5 F. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent Lange has read this
6 Consent Order in its entirety and fully understand and agree to all of the same.

7
8 **RESPONDENT:**

9 **RYAN JOSEPH LANGE**

10 By:

11 
12 _____
13 Ryan Joseph Lange

11 11/26/07
12 _____
13 Date

14 DO NOT WRITE BELOW THIS LINE

15 THIS ORDER ENTERED THIS 30th DAY OF November, 2007.





DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

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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:

RYAN JOSEPH LANGE,

Respondent.

NO. C-07-358-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO DENY LICENSE APPLICATION
AND PROHIBIT FROM INDUSTRY

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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:

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I. FACTUAL ALLEGATIONS

1.1 Respondent Ryan Joseph Lange (Respondent Lange) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Morgan Financial Services, Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about April 23, 2007.

A. Prior Criminal Acts. On February 13, 2004, in the Superior Court of Washington for King County, Case No. 04-1-09346-1 SEA, Respondent Lange was charged with the crime of Theft in the Second Degree, pursuant to RCW 9A.56.040(1)(a) and 9A.56.020(1)(a), a felony. On April 29, 2004, in the Superior Court of Washington for King County, Case No. 04-1-09346-1 SEA, Respondent Lange pleaded guilty to

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

1 Attempted Theft in the Second Degree, pursuant to 9A.56.040(1)(a), 9A.56.020(1)(a) and 9A.28.020, a gross
2 misdemeanor.

3 **1.2 Responses to Application Questions.** The “Criminal Disclosure” section of the loan originator license
4 application consists of eight questions, and includes the following instruction:

5 “If the answer to any of the following is “YES”, provide complete details of all events or proceedings”

6 Respondent Lange answered “no” to the following questions on the “Criminal Disclosure” section of his loan
7 originator license application:

- 8 • 2 - Have you ever been charged with any felony?
- 9 • 5 - Have you ever been convicted of or plead guilty or nolo contendere (“no contest”)
10 in a domestic, foreign, or military court to [a] misdemeanor involving: financial
11 services or a financial services-related business or any fraud, false statements or
12 omissions, theft or any wrongful taking of property, bribery, perjury, forgery,
13 counterfeiting, extortion, or a conspiracy to commit any of these offenses? If Yes,
14 when and where?
- 15 • 6 - Have you ever been charged with a misdemeanor specified in 5?

16 Respondent Lange was obligated by statute to answer questions on the loan originator license application
17 truthfully and to provide the Department with complete details of all events or proceedings.

18 II. GROUNDS FOR ENTRY OF ORDER

19 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
20 Respondent Lange fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by
21 having been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony within
22 seven years of the filing of the present application.

23 **2.2 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
24 forth in Section I above, Respondent Lange fails to meet the requirements of RCW 19.146.300(1) and (2) and
25

1 RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form
2 prescribed by the Director.

3 **2.3 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
4 forth in Section I above, Respondent Lange fails to meet the requirements of RCW 19.146.310(1)(g) and WAC
5 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of
6 the community and to warrant a belief that the business will be operated honestly and fairly within the purposes
7 of the Act.

8 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

14 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
15 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
16 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
17 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

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

19 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
20 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
21 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.

22 Therefore, it is the Director's intention to ORDER that:

23 **4.1** Respondent Ryan Joseph Lange's application for a loan originator license be denied.

24 **4.2** Respondent Ryan Joseph Lange be prohibited from participation in the conduct of the affairs of any
25 mortgage broker subject to licensure by the Director, in any manner, through April 23, 2014.

V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and Prohibit from Industry (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 27th day of September, 2007.

Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

Wilma M. Nepsund

WILMA M. NEPSUND
Financial Examiner



Approved by:

Fatima Batie

FATIMA BATIE
Financial Legal Examiner Supervisor