

Terms Completed

ORDER SUMMARY – Case Number: C-07-375

Name(s): Steven Douglas Moody

Order Number: C-07-375-10-FO01

Effective Date: September 21, 2010

License Number: DFI: 36288

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: LO License Application Denied

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

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: _____



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

STEVEN DOUGLAS MOODY,
Respondent.

NO. C-07-375-10-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director) pursuant to RCW 34.05.464. On December 21, 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 December 21, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing for Steven Douglas Moody, Respondent. The Department served the Statement of Charges, cover letter dated December 21, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing for Steven Douglas Moody on Respondent on December 21, 2007, by First-Class mail and Federal Express overnight delivery.

1 On January 4, 2008, Respondent filed an Application for Adjudicative Hearing. On January 4,
2 2008, the Department made a request to the Office of Administrative Hearings (OAH) to assign an
3 Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges. On
4 May 6, 2008, all parties attended a telephonic prehearing conference. The Department moved to
5 consolidate this case and the case of Annabelle Y. Moody, C-07-387-07-SC01, for hearing. On May
6 27, 2008, ALJ Vicki. J. Toyohara (ALJ Toyohara) issued a Prehearing Conference Order granting the
7 Department's motion to consolidate the two matters for hearing. On June 16, 2008, ALJ Toyohara
8 issued a Notice of Hearing, scheduling a hearing for July 30 and July 31, 2008, at 9:00 a.m.

9
10 On March 24, 2009, OAH issued a Notice of Reassignment of Administrative Law Judge
11 assigning ALJ Rynold C. Fleck (ALJ Fleck) to preside over prehearing and hearing proceedings and
12 issue an Initial Decision. On March 24, 2009, ALJ Fleck issued an Order of Continuance of
13 Prehearing Conference, continuing the prehearing conference to April 15, 2009.

14 On August 18, 2009, all parties attended the hearing. On March 10, 2010, ALJ Fleck issued an
15 Initial Decision and Order. This Initial Decision and Order –

- 16 • found that Respondent Steven Douglas Moody failed to demonstrate those characteristics
17 that are required under RCW 19.146.310; and
- 18 • ordered that Respondent Steven Douglas Moody's application for a Loan Originator
19 license be denied.

20 On March 10, 2010, ALJ Fleck mailed the Initial Decision and Order to Respondent.

21 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent had twenty (20) days from the
22 date of service of the Initial Decision and Order to file a Petition for Review of the Initial Decision and
23 Order. Respondent did not file a Petition for Review during the statutory period.

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1 B. Record Presented. The record presented to the Director for his review and for entry of
2 a final decision included the following:

- 3 1. Statement of Charges, cover letter dated December 21, 2007, and Notice of
4 Opportunity to Defend and Opportunity for Hearing, with documentation of service;
- 5 2. Application for Adjudicative Hearing for Steven Douglas Moody;
- 6 3. Request to OAH for Assignment of Administrative Law Judge;
- 7 4. Prehearing Conference Order dated May 27, 2008;
- 8 5. Notice of Hearing;
- 9 6. Notice of Reassignment of Administrative Law Judge dated March 24, 2009;
- 10 7. Order of Continuance of Prehearing Conference dated March 24, 2009; and
- 11 8. Initial Decision and Order dated March 10, 2010.

12 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.461, the Director
13 hereby adopts the Initial Decision and Order, which is attached hereto.

14 II. FINAL ORDER

15 Based upon the foregoing, and the Director having considered the record and being
16 otherwise fully advised, NOW, THEREFORE:

17 A. IT IS HEREBY ORDERED, That:

- 18 1. Respondent Steven Douglas Moody's application for a license to conduct the business
19 of a Loan Originator is denied.

20 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
21 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
22 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
23 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
24

1 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
2 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
3 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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8 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
9 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
10 Review made under chapter 34.05 RCW and RCW 34.05.550.

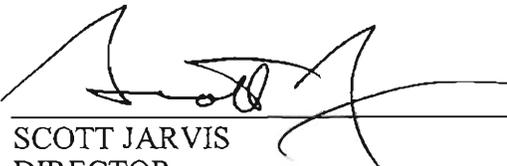
11 D. Judicial Review. Respondent has the right to petition the superior court for judicial
12 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing
13 a Petition for Judicial Review, see RCW 34.05.510 and sections following.

14 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
15 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
16 attached hereto.

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18 DATED this 21st day of September 2010.



19 STATE OF WASHINGTON
20 DEPARTMENT OF FINANCIAL INSTITUTIONS

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22 _____
23 SCOTT JARVIS
24 DIRECTOR

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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-07-375-07-SC01

STEVEN DOUGLAS MOODY,

Respondent.

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

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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 Annabelle Yasgul Moody (Respondent Moody) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Washington Financial Group, Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about August 7, 2007.

1.2 Prior Administrative Action. Respondent Moody was co-owner and President of Emerald City Escrow, Inc. (Emerald). On June 5, 2000, the Director of the Department of Financial Institutions issued a Statement of Charges and Notice of Intention to Revoke Licenses and Assess Monetary Penalties against Respondent Moody and other parties related to Emerald. On May 25, 2001, Respondent Moody entered into a Stipulation of the Parties, Findings of Fact, Conclusions of Law, and Agreed Order (Stipulation and Agreed

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

1 Order). The Stipulation and Agreed Order, entered May 31, 2001, found that Respondent Moody failed to
2 comply with the Department's directives and subpoenas, over charged clients for third party fees, failed to
3 maintain sufficient funds in the trust account to cover all outstanding checks, and failed to maintain required
4 records. The Stipulation and Agreed Order found violations of RCW 18.44.020, 18.44.200, and 18.44.330
5 (those citations to the law in effect at the time of the conduct), and violations of 18.44.301(10), 18.44.400(1),
6 18.44.400(3), WAC 208-680D-020, WAC 208-680D-030(1), WAC 208-680D-050, and WAC 208-680E-011
7 (those citations to the law in effect at the time of entry of the Agreed Order). The Stipulation and Agreed Order
8 required Respondent Moody to comply with a number of requirements, including payment of \$5,000 to the
9 Department.

10 Respondent Moody failed to comply with the terms of the Stipulation and Agreed Order. The
11 Department, then, filed a superior court action to seek enforcement of the Stipulation and Agreed
12 Order. On March 26, 2002, the Superior Court of King County entered an Order Enforcing and
13 Enjoining Violation of Administrative Order (Order No. 01-2-25523-1 SEA). That Order found that
14 Respondent Moody had complied with only one requirement of the Stipulation and Agreed Order,
15 providing written notice of their voluntary dismissal of their appeal to the Administrative Law Judge.
16 The court among other things ordered that Respondent Moody be prohibited from conducting the
17 business of an escrow agent or escrow officer in the State of Washington for a period of fifteen (15)
18 years from the effective date of the Stipulation and Agreed Order (May 31, 2001), that a fine in the
19 amount of \$31,300 be imposed, and that a judgment against Respondent Moody in the amount of the
20 fine, the Department's costs, statutory attorneys fees and interest be entered.

21 Respondent Moody complied with the monetary portion of the Order and Judgment by
22 paying two cashier's checks each in the amount of \$15,804 on April 22, 2002 and May 17, 2002. A
23 Satisfaction of Monetary Judgment (regarding the monetary portion of the Order and Judgment) was
24 entered on August 19, 2003.

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

2 **2.1 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
3 forth in Section I above, Respondent Moody fails to meet the requirements of RCW 19.146.310(1)(g) and
4 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the
5 confidence of the community and to warrant a belief that the business will be operated honestly and fairly
6 within the purposes of the Act.

7 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

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

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

18 **4.1** Respondent Annabelle Yasgul Moody’s application for a loan originator license be denied.

19 **V. AUTHORITY AND PROCEDURE**

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

1 Dated this 21st day of December, 2007.

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

8 Presented by:

9 
10 ROBERT E. JONES
11 Financial Legal Examiner



12 Approved by:

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14 JAMES R. BRUSSELBACK
15 Enforcement Chief