

TERMS COMPLETE

FINAL ORDER SUMMARY – Case Number: C-08-214

Name(s) Michael Christopher Case

Order Number C-08-214-08-FO01

Effective Date December 16, 2008

License Number DFI: 47816

License Effect Denied

Not Apply until March 26, 2015

Prohibition/Ban until March 26, 2015

Investigation Costs	\$	Due	Paid		Date
			Y	N	

Assessment(s)	\$	Due	Paid		Date
			Y	N	

Monetary Penalty	\$	Due	Paid		Date
			Y	N	

Other

Special Instructions

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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:

MICHAEL CHRISTOPHER CASE,
Respondent.

NO. C-08-214-08-FO01

FINAL ORDER

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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), pursuant to RCW 34.05.440(2). On June 30, 2008, 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 and Prohibit from Industry (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 June 30, 2008, 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 June 30, 2008, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent Michael Christopher Case (Respondent Case) on June 30, 2008, by first class mail and Federal Express overnight delivery.

On July 18, 2008, Respondent Case filed an Application for Adjudicative Hearing. On July 22, 2008, the Department submitted 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. On August 13, 2008, ALJ Julie K. Emmal (ALJ Emmal) issued a Notice of Prehearing

1 Conference scheduling a prehearing conference on August 28, 2008, at 1:00 p.m. That Notice
2 contained the following instruction to the parties: "Both the Department and the Appellant shall
3 register an appearance on the day of hearing." That Notice also noted, "If the Appellant fails to call in
4 and register an appearance, a default or dismissal may be entered."

5 On August 28, 2008, Respondent Case failed to appear for the prehearing conference. ALJ
6 Emmal issued an Order of Dismissal Due to Respondent Default. On September 15, 2008, OAH
7 mailed the Order of Dismissal Due to Respondent Default to Respondent Case.

8 Pursuant to RCW 34.05.440(3), Respondent Case had seven (7) days from the date of
9 service of the Order of Dismissal Due to Respondent Default to file a written motion with OAH
10 requesting that the Order of Dismissal Due to Respondent Default be vacated, and stating the grounds
11 relied upon. Respondent Case did not make a request to vacate during the statutory period.

12 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent Case had twenty (20) days from the
13 date of service of the Order of Dismissal Due to Respondent Default to file a Petition for Review of
14 the Order of Dismissal Due to Respondent Default with the Director. Respondent Case did not file a
15 Petition for Review during the statutory period.

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

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20 1. Statement of Charges, cover letter dated June 30, 2008, and Notice of Opportunity to
21 Defend and Opportunity for Hearing, with documentation of service;
- 22 2. Application for Adjudicative Hearing;
- 23 3. Request to OAH for Assignment of Administrative Law Judge;
- 24 4. Notice of Prehearing Conference mailed on August 13, 2008, with documentation of
25 service;

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2 5. Order of Dismissal Due to Respondent Default mailed on September 15, 2008, with
documentation of service.

3 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(2), the
4 Director hereby adopts the Statement of Charges, which is attached hereto.

5 II. FINAL ORDER

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

8 A. IT IS HEREBY ORDERED, That:

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10 1. Respondent Michael Christopher Case's application for a loan originator license is
denied; and
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12 2. Respondent Michael Christopher Case is banned from participation in the conduct of
the affairs of any mortgage broker subject to licensure by the Director, in any manner,
through March 26, 2015.

13 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent Case has the right to file
14 a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
15 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
16 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
17 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent Case. The
18 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
19 Reconsideration a prerequisite for seeking judicial review in this matter.
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21 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
22 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
23 notice specifying the date by which it will act on a petition.
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1 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
2 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
3 Review made under chapter 34.05 RCW and RCW 34.05.550.

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

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

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11 DATED this 6th day of December, 2008.

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13 STATE OF WASHINGTON
14 DEPARTMENT OF FINANCIAL INSTITUTIONS

15 [Redacted Signature]
16 SCOTT JARVIS
17 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:

MICHAEL CHRISTOPHER CASE,

Respondent.

NO. C-08-214-08-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 Michael Christopher Case (Respondent) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Safe Harbor Mortgage Company, LLC, a mortgage broker licensed under the Act. The on-line application was received by the Department on or about March 26, 2008.

1.2 Prior Criminal Acts. On or about January 5, 2004, Respondent was charged with [REDACTED] a felony pursuant to Oregon Revised Statutes (ORS) 165.013; [REDACTED] a felony pursuant to ORS 165.022; and [REDACTED] a felony pursuant to ORS 475.992, in the Circuit Court of the State of Oregon for Washington

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

1 County. On or about September 22, 2004, Respondent pleaded guilty to [REDACTED]

2 [REDACTED]
3 On or about November 10, 1998, Respondent was charged with [REDACTED] a felony, in Multnomah
4 Circuit Court, State of Oregon. On or about December 2, 1998, the charge was dismissed.

5 **1.3 Responses to Application Questions.** The "Criminal Disclosure" section of the loan originator license
6 application consists of eight questions, and includes the following instruction:

7 "If the answer to any of the following is "YES", provide complete details of all events or proceedings"

8 Respondent answered "yes" to the following questions on the "Criminal Disclosure" section of his loan
9 originator license application:

- 10 • Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
11 domestic, foreign, or military court to any felony?
 - 12 ▪ Respondent explained, Washington county 2002 I plead guilty to [REDACTED]
13 [REDACTED]
- 14 • Based upon activities that occurred while you exercised control over it, has an organization
15 ever been convicted of or plead guilty or nolo contendere ("no contest") in a domestic, foreign,
16 or military court to any felony?
 - 17 ▪ Respondent explained, "same as above."
- 18 • Based upon activities that occurred while you exercised control over it, has an organization
19 ever been charged with any felony?
 - 20 ▪ Respondent explained, "same as above."
- 21 • Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
22 domestic, foreign, or military court to a misdemeanor involving: financial services or a
23 financial services-related business or any fraud, false statements or omissions, theft or any
24 wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a
25 conspiracy to commit any of these offenses?

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- Respondent explained, "same as above."

Respondent answered "no" to the following questions on the "Criminal Disclosure" section of his loan originator license application:

- Have you ever been charged with any felony?

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

II. GROUNDS FOR ENTRY OF ORDER

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

2.2 Prohibited Practices. Based on the Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making any false statement or willfully making any omission of material fact in connection with any application or any information filed by a licensee in connection with any application, examination or investigation conducted by the Department.

2.3 Requirement to Provide Information on License Application. Based on the Factual Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW 19.146.300(1) and (2) and RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form prescribed by the Director.

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

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III. AUTHORITY TO IMPOSE SANCTIONS

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

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

IV. NOTICE OF INTENTION TO ENTER ORDER

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

4.1 Respondent Michael Christopher Case's application for a loan originator license be denied.

4.2 Respondent Michael Christopher Case be prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, through March 26, 2015.

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

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1 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
2 Statement of Charges.

3 Dated this 30th day of June, 2008.

4 [Redacted Signature]

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6 DEBORAH BORTNER
7 Director
8 Division of Consumer Services
9 Department of Financial Institutions

10 Presented by:

11 [Redacted Signature]

12 DEBORAH PINSONNEAULT
13 Financial Legal Examiner



14 Approved by:

15 [Redacted Signature]

16 FATIMA BATIE
17 Financial Legal Examiner Supervisor

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