

TERMS COMPLETE

ORDER SUMMARY – Case Number: C-09-226

Name(s): Loans Plus, LLC d/b/a Loan Modification Plus
Quy Hung Pham

Order Number: C-09-226-09-FO01

Effective Date: November 24, 2009

License Number: DFI: 51964
Or NMLS Identifier [U/L]

License Effect: Denied

Not Apply Until: November 24, 2014

Not Eligible Until: November 24, 2014

Prohibition/Ban Until: November 24, 2014

| | | | | |
|--|----|---|---|------|
| 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 DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

NO. C-09-226-09-FO01

LOANS PLUS, LLC d/b/a LOAN MODIFICATION
PLUS, mortgage broker license applicant, and
QUY HUNG PHAM, Owner, Designated Broker
appointee,

FINAL ORDER

Respondents.

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), through his designee, Consumer Services Division Director Deborah Bortner, pursuant to RCW 34.05.440(1). On October 7, 2009, 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 October 9, 2009, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents. The Department served the Statement of Charges, cover letter dated October 9, 2009, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Loans Plus LLC d/b/a Loan Modification Plus and Quy Hung Pham on Respondents on October 9, 2009, by First-Class mail and Federal Express overnight delivery. On October 12, 2009, the documents sent via Federal Express overnight delivery were

1 delivered. The documents sent via First-Class mail were not returned to the Department by the United
2 States Post Office.

3 Respondents did not request an adjudicative hearing within twenty calendar days after the
4 Department served them with the Notice of Opportunity to Defend and Opportunity for Hearing, as
5 provided for in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for her review and
7 for entry of a final decision included the Statement of Charges, cover letter dated October 9, 2009, Notice
8 of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing
9 for Loans Plus LLC dba Loan Modification Plus and Quy Hung Pham, with documentation of service;

10 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
11 Director's designee hereby adopts the Statement of Charges, which is attached hereto.
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13 II. FINAL ORDER

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

16 A. IT IS HEREBY ORDERED, That:

- 17 1. Respondents Loans Plus LLC d/b/a Loan Modification Plus and Quy Hung Pham's
18 application for a license to conduct the business of a Mortgage Broker is denied; and
- 19 2. Respondent Loans Plus LLC d/b/a Loan Modification Plus is banned from
20 participation in the conduct of the affairs of any mortgage broker subject to licensure
21 by the Director, in any manner, for a period of 5 years; and
- 22 3. Respondent Quy Hung Pham is banned from participation in the conduct of the affairs
23 of any mortgage broker subject to licensure by the Director, in any manner, for a
24 period of 5 years; and

25 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition

1 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
2 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
3 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
4 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
5 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

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

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

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20 DATED this 24th day of November, 2009.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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DEBORAH BORTNER
DIRECTOR
DIVISION OF CONSUMER SERVICES

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

LOANS PLUS, LLC dba LOAN MODIFICATION
PLUS, mortgage broker license applicant, and
QUY HUNG PHAM, Owner, Designated Broker
appointee,

Respondents.

NO. C-09-226-09-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 19.146.210 and RCW 19.146.235, 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 Respondents.

A. **Loans Plus, LLC dba Loan Modification Plus (Respondent Loans Plus)** submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a license to conduct business as a mortgage broker at 1706 S. Mountain View Ave. Tacoma, Washington 98465. The application was received by the Department on or about June 9, 2009.

B. **Quy Hung Pham (Respondent Pham)** is listed as Designated Broker of Respondent Loans Plus in the mortgage broker application.

¹ RCW 19.146 (2006)

1 **1.2 Felony Charge:** After receiving the mortgage broker application from the Respondents, the
2 Department conducted a routine background check of the Respondents. The Department discovered certified
3 court documents confirming Respondent Pham had been charged on or about December 30, 2003, with
4 Unlawful Possession of a Controlled Substance, Cocaine, a Class C Felony, in the Superior Court of
5 Washington for Pierce County, Cause No. 03-1-06133-8. The case was later amended to Solicitation to Possess
6 a Controlled Substance, a gross misdemeanor, and Respondent Pham plead guilty to that charge on or about
7 February 10, 2004.

8 **1.3 Responses to Application Questions.** The "Criminal Disclosure" section of the mortgage broker
9 license application consists of eight questions. Each question requires a "yes" or "no" response. Respondent
10 Pham answered "no" to the following question on the "Criminal Disclosure" section of the mortgage broker
11 license application: D (2) "Have your ever been charged with any felony?"

12 Respondents were obligated by statute to answer questions on the mortgage broker license application
13 truthfully. Respondents failed to disclose that Respondent Pham had been charged of a felony as outlined in
14 paragraph 1.2.

15 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
16 Respondents continues to date.

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

18 **2.1 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondents are
19 in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making any false
20 statement or willfully making any omission of material fact in connection with any application or any
21 information filed by a licensee in connection with any application.

22 **2.2 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
23 forth in Section I above, Respondents have failed to meet the requirements of RCW 19.146.205(1)(f), RCW
24 19.146.210(1)(b) and (f), and WAC 208-660-163 by failing to provide an accurate and complete written license
25 application in the form prescribed by the Director.

1 **2.1 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
2 forth in Section I above, Respondents have failed to meet the requirements of RCW 19.146.210(1) and WAC
3 208-660-163 for failing to demonstrate character and general fitness such as to command the confidence of the
4 community and to warrant a belief that the business will be operated honestly, fairly, and efficiently within the
5 purposes of the Act.

6 III. AUTHORITY TO IMPOSE SANCTIONS

7 **3.1 Authority to Deny Application for License.** Pursuant to RCW 19.146.210(2), the Director shall not
8 issue a license to an applicant if the conditions of RCW 19.146.210(1) have not been met by the applicant.
9 Pursuant to RCW 19.146.220(1), RCW 19.146.220(2)(a) and WAC 208-660-160, the Director may deny
10 applications for any violation of RCW 19.146.0201(1) through (9).

11 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
12 orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker, or both, any
13 officer, principal, employee, or loan originator of any licensed mortgage broker or any person subject to
14 licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

15 IV. NOTICE OF INTENTION TO ENTER ORDER

16 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
17 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
18 for the entry of an Order under RCW 19.146.210, RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223.

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

- 20 **4.1** Respondent Loans Plus, LLC dba Loan Modification Plus's application for a license to conduct the
21 business of a mortgage broker be denied;
- 22 **4.2** Respondent Loans Plus, LLC dba Loan Modification Plus be prohibited from participation in the conduct
23 of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of 5
24 years; and
- 25 **4.3** Respondent Quy Hung Pham be prohibited from participation in the conduct of the affairs of any mortgage
broker subject to licensure by the Director, in any manner, for a period of 5 years.

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). Respondents 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 7th day of October, 2009.

[Redacted signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted signature]

WILLIAM HALSTEAD
Financial Legal Examiner



Approved by:

[Redacted signature]

JAMES R. BRUSSELBACK
Enforcement Chief