



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-09-261-10-FO03

AMERICAN PREMIER FUNDING INC, ERIC
VACA, President, Owner, Designated Broker,
QUARTEZ WYNN, Loan Originator, DREW
GREENE, Loan Originator, DANIEL PISANI, Loan
Originator, MICHELLE KARVOUNIS, Loan
Originator, IRENE GUEVARA, Loan Originator, and
NANCY KARVOUNIS, Loan Originator,

FINAL ORDER

QUARTEZ WYNN

Respondents.

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(1) and RCW 34.05.440(2). On December 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 Revoke or Suspend Mortgage Broker License and Loan Originator License, Prohibit from Industry, Impose Fine, Order Restitution, and Collect Investigation and Travel Recovery Costs (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 9, 2009, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing for Respondent

1 Quartez Wynn (Respondent). The Department served the Statement of Charges, cover letter, Notice of
2 Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing
3 on Respondent on December 9, 2009, by United States Postal Service First-Class mail (First-Class
4 mail) and Federal Express Overnight Delivery. On December 10, 2009, the documents sent via Federal
5 Express overnight delivery were delivered. The documents sent via First-Class mail were not returned
6 to the Department by the United States Postal Service.

7
8 On December 22, 2009, Respondent filed an Application for Adjudicative Hearing. On March
9 2, 2010, the Department made a request to the Office of Administrative Hearings (OAH) to assign an
10 Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges.

11 On March 4, 2010, OAH issued a Notice of Prehearing Conference by Telephone assigning
12 ALJ Mary Ellen Goodwin (ALJ Goodwin) to preside over prehearing and hearing proceedings and
13 issue an Initial Decision. The Notice of Prehearing Conference by Telephone scheduled a prehearing
14 conference on Wednesday, March 24, 2010, at 3:15 pm. The Order stated that "If you fail to appear or
15 participate in the pre-hearing conference, hearing, or any other scheduled state of these proceedings,
16 you may lose your right to a hearing as described in RCW 34.05.440."

17 On March 24, 2010, ALJ Goodwin convened the Prehearing Conference. The Department,
18 through the Attorney General's Office, appeared at the conference. Respondent did not appear and
19 ALJ Goodwin was unable to contact Respondent at the last telephone number provided by
20 Respondent. The Department moved for an order of default based on Respondent's failure to appear.
21 ALJ Goodwin denied the Department's motion and rescheduled the Prehearing Conference.

22
23 On April 1, 2010, ALJ Goodwin issued another Notice of Prehearing Conference by Telephone
24 scheduling a prehearing conference on Monday, June 7, 2010, at 9:00 am. This Order also stated that

1 “If you fail to appear or participate in the pre-hearing conference, hearing, or any other scheduled state
2 of these proceedings, you may lose your right to a hearing as described in RCW 34.05.440.”

3 On June 7, 2010, ALJ Goodwin convened the Prehearing Conference. The Department,
4 through the Attorney General’s Office, appeared at the conference. Respondent did not appear and
5 ALJ Goodwin was unable to contact Respondent at the last telephone number provided by
6 Respondent. The Department moved for an order of default based on Respondent’s failure to appear.
7 On June 9, 2010, ALJ Goodwin issued an Initial Order of Default, which found Respondent in default
8 and dismissed his appeal. On June 9, 2010, ALJ Goodwin sent the Initial Order of Default to the
9 address of record for Respondent.
10

11 On June 18, 2010, ALJ Goodwin issued a Corrected Initial Order of Default, which included
12 Respondent’s appeal rights, and again found Respondent in default and dismissed his appeal. On June
13 18, 2010, ALJ Goodwin sent the Corrected Initial Order of Default to the address of record for
14 Respondent.

15 Pursuant to RCW 34.05.440(3), Respondent had seven (7) days from the date of service of the
16 Corrected Initial Order of Default to file a written motion with OAH requesting that the Corrected
17 Initial Order of Default be vacated, and stating the grounds relied upon. Respondent did not make a
18 request to vacate during the statutory period. Pursuant to RCW 34.05.464 and WAC 10-08-211,
19 Respondent had twenty (20) days from the date of service of the Corrected Initial Order of Default to
20 file a Petition for Review of the Corrected Initial Order of Default with the Director. Respondent did
21 not file a Petition for Review during the statutory period.
22

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

- 1 1. Statement of Charges, cover letter, Notice of Opportunity to Defend and Opportunity
2 for Hearing, and blank Application for Adjudicative Hearing for Respondent Quartez
3 Wynn, with documentation of service;
- 4 2. Application for Adjudicative Hearing for Quartez Wynn;
- 5 3. Request to OAH for Assignment of Administrative Law Judge;
- 6 4. Notice of Prehearing Conference by Telephone dated March 4, 2010 and April 1,
7 2010, with documentation of service for both;
- 8 5. Initial Order of Default dated June 9, 2010, with documentation of service; and
- 9 6. Corrected Initial Order of Default dated June 18, 2010, with documentation of service.

10 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1) and RCW
11 34.05.440(2), the Director hereby adopts the Statement of Charges, which is attached hereto.

12 II. FINAL ORDER

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

15 A. IT IS HEREBY ORDERED, That:

- 16 1. Respondent Quartez Wynn is banned from participation in the conduct of the affairs
17 of any mortgage broker or loan originator subject to licensure by the Director, in any
18 manner, for a period of five (5) years; and
- 19 2. Respondent Quartez Wynn pay a fine of \$750; and
- 20 3. Respondent Quartez Wynn pay investigation fees of \$600.

21 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
22 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
23 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
24 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
25 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The

1 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
2 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

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

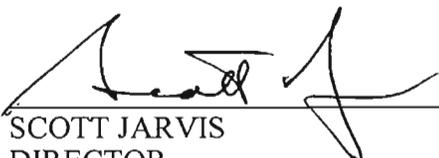
12 E. Non-compliance with Order. If you do not comply with the terms of this order, the
13 Department may seek its enforcement by the Office of Attorney General to include the collection of the
14 fines, and fees imposed herein.

15 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
16 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
17 attached hereto.
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19
20 DATED this 21st day of September, 2010.



21 STATE OF WASHINGTON
22 DEPARTMENT OF FINANCIAL INSTITUTIONS

23 
24 SCOTT JARVIS
25 DIRECTOR

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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:

NO. C-09-261-09-SC01

AMERICAN PREMIER FUNDING INC, ERIC
VACA, President, Owner, Designated Broker,
QUARTEZ WYNN, Loan Originator, DREW
GREENE, Loan Originator, DANIEL PISANI,
Loan Originator, MICHELLE KARVOUNIS,
Loan Originator, IRENE GUEVARA, Loan
Originator, and NANCY KARVOUNIS, Loan
Originator,

STATEMENT OF CHARGES AND NOTICE OF
INTENTION REVOKE OR SUSPEND MORTGAGE
BROKER LICENSE AND LOAN ORIGINATOR
LICENSE, PROHIBIT FROM INDUSTRY, IMPOSE
FINE, ORDER RESTITUTION, AND COLLECT
INVESTIGATION AND TRAVEL RECOVERY
COSTS

Respondents.

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, RCW 19.146.310 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:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. American Premier Funding Inc. (Respondent American Premier) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on September 9, 2008, and continues to be licensed to date. Respondent American Premier is licensed to conduct the business of a mortgage broker at one location: 6150 Mission Gorge Road, Suite 140, San Diego, California, 92120.

¹ RCW 19.146 (2007)

1 B. Eric Vaca (Respondent Vaca) is the President, Owner, and Designated Broker of Respondent
2 American Premier. Respondent Vaca became the Designated Broker of Respondent American Premier on or
3 about September 9, 2008, and continues as the Designated Broker to date.

4 C. Quartez Wynn (Respondent Wynn) acted as a loan originator for Respondent American Premier
5 between at least October 1, 2006, and December 18, 2008.

6 D. Drew Greene (Respondent Greene) acted as a loan originator for Respondent American Premier
7 between at least November 1, 2008, and December 13, 2008.

8 E. Daniel Pisani (Respondent Pisani) acted as a loan originator for Respondent American Premier
9 between at least October 1, 2008, and November 30, 2008.

10 F. Michelle Karvounis (Respondent Michelle Karvounis) acted as a loan originator for Respondent
11 American Premier between at least September 1, 2008, and November 30, 2008.

12 G. Irene Guevara (Respondent Guevara) acted as a loan originator for Respondent American Premier
13 between at least October 1, 2008, and July 30, 2009.

14 H. Nancy Karvounis (Respondent Nancy Karvounis) acted as a loan originator for Respondent
15 American Premier between at September 1, 2008, and December 30, 2008.

16 **1.2 Examination.** In or around March 2009, the Department conducted an examination of the books and
17 records of Respondents for the period of September 9, 2008, through March 31, 2008. The Department
18 reviewed nine loan files provided as part of its examination. The Department found violations of the Act as
19 outlined below.

20 **1.3 Unlicensed Activity.** Respondent Wynn conducted the business of a loan originator for Respondent
21 American Premier between at least October 1, 2008, and December 18, 2008. To date, the Department has not
22 issued a license to Respondent Wynn to conduct the business of a loan originator from any location.

23 **1.4** Between October 1, 2008, and December 18, 2008, Respondent Wynn assisted at least one borrower in
24 applying to obtain or obtaining residential mortgage loans on property located in the State of Washington from
25 Respondent American Premier's office.

- 1 **1.5** Respondent Greene conducted the business of a loan originator for Respondent American Premier
2 between at least November 1, 2008, and December 15, 2008. To date, the Department has not issued a license to
3 Respondent Greene to conduct the business of a loan originator from any location.
- 4 **1.6** Between November 1, 2008, and December 15, 2008, Respondent Greene assisted at least one
5 borrower in applying to obtain or obtaining residential mortgage loans on property located in the State of
6 Washington from Respondent American Premier's office.
- 7 **1.7** Respondent Pisani conducted the business of a loan originator for Respondent American Premier
8 between at least October 1, 2008, and November 30, 2008. To date, the Department has not issued a license to
9 Respondent Pisani to conduct the business of a loan originator from any location.
- 10 **1.8** Between October 1, 2008, and November 30, 2008, Respondent Pisani assisted at least one borrower in
11 applying to obtain or obtaining residential mortgage loans on property located in the State of Washington from
12 Respondent American Premier's office.
- 13 **1.9** Respondent Michelle Karvounis conducted the business of a loan originator for Respondent American
14 Premier between at least September 1, 2008, and November 30, 2008. To date, the Department has not issued a
15 license to Respondent Michelle Karvounis to conduct the business of a loan originator from any location.
- 16 **1.10** Between September 1, 2008, and November 30, 2008, Respondent Michelle Karvounis assisted at least two
17 borrowers in applying to obtain or obtaining a residential mortgage loan on property located in the State of
18 Washington from Respondent American Premier's office.
- 19 **1.11** Respondent Guevara conducted the business of a loan originator for Respondent American Premier
20 between at least October 1, 2008, and July 30, 2009. To date, the Department has not issued a license to
21 Respondent Guevara to conduct the business of a loan originator from any location.
- 22 **1.12** Between October 1, 2008, and July 30, 2009, Respondent Guevara assisted at least two borrowers in
23 applying to obtain or obtaining a residential mortgage loan on property located in the State of Washington from
24 Respondent American Premier's office.

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1 **1.13** Respondent Nancy Karvounis conducted the business of a loan originator for Respondent American
2 Premier between at least September 1, 2008, and December 30, 2008. To date, the Department has not issued a
3 license to Respondent Nancy Karvounis to conduct the business of a loan originator from any location.

4 **1.14** Between September 1, 2008, and December 30, 2008, Respondent Nancy Karvounis assisted at least
5 one borrower in applying to obtain or obtaining residential mortgage loans on property located in the State of
6 Washington from Respondent American Premier's office.

7 **1.15 Failure to Provide Affiliated Business Disclosures.** In each of the nine loan files reviewed,
8 Respondents used an escrow company that was not licensed in Washington. In eight of the nine loan files
9 reviewed, the escrow company used the same address as Respondent American Premier's address: 6150
10 Mission Gorge Road, Suite 140, San Diego, California, 92120. Respondents did not maintain evidence
11 sufficient to establish that affiliated business disclosures were provide to the borrowers or Respondents did not
12 provide affiliated business disclosures.

13 **1.16 Failure to Disclose Loan Originator License Number on Loan Applications.** In each of the nine
14 loan files reviewed, Respondents did not disclose the loan originator's license number on the borrowers'
15 residential mortgage loan applications.

16 **1.17 Failure to Provide Rate Lock Disclosure or Agreement.** In each of the nine loan files reviewed,
17 Respondents did not maintain evidence sufficient to establish that rate lock disclosures or rate lock agreements
18 were provided to borrowers within three business days of the borrowers' loan application or Respondents did
19 not provide rate lock disclosures or rate lock agreements to borrowers within three days of the borrowers' loan
20 application.

21 **1.18 Failure to Provide "If the Borrower is Unable to Obtain a Loan" Disclosure.** In each of the nine
22 loan files reviewed, Respondents did not maintain records sufficient to establish that "if a borrower is unable to
23 obtain a loan" disclosures were provided to borrowers within three business days of the borrowers' loan
24 application, or Respondents did not provide the disclosures to borrowers within three business days of the
25 borrowers' loan application.

1 **1.19 Failure to Correctly Disclose Fees in the GFE that Inure to Respondents' Benefit.** In each of the
2 nine loan files reviewed, Respondents did not maintain evidence sufficient to establish that Respondents
3 correctly disclosed fees that inured to the mortgage broker's benefit on the Good Faith Estimate (GFE)
4 disclosure in that Respondents did not specifically identify in the GFE each fee that inured to Respondents'
5 benefit, or Respondents did not correctly disclose fees that inured to the mortgage broker's benefit.

6 **1.20 Failure to Provide a Complete or Accurate TIL Disclosure.** In eight of the nine loan files reviewed,
7 Respondents did not maintain evidence sufficient to establish that Respondent provided a complete or accurate
8 truth in lending (TIL) disclosure to borrowers, specifically, Respondents did not complete the bottom section of
9 the TIL disclosures identifying the existence of a prepayment penalty, security interest, assumption policy, or
10 late payment fee or Respondents did not include items associated with the finance charge in the Annual
11 Percentage Rate or Respondents did not provide a complete or accurate TIL disclosure to borrowers.

12 **1.21 Failure to Deposit All Monies Received for Third Party Fees into Trust Account.** Respondents did
13 not provide evidence to the Department sufficient to establish that Respondents maintained a trust account for
14 third party fees received by Respondent American Premier from escrow. In the alternative, in five of the nine
15 loan files reviewed, Respondents did not maintain evidence sufficient to establish that Respondents deposited
16 escrow checks that included the borrowers' third party credit report fees into a trust account. Instead,
17 Respondents deposited these funds into a general account held by Respondent American Premier, thereby
18 commingling trust funds with operating funds.

19 **1.22 Untimely Provision of GFE or TIL Disclosures.** In at least five of the nine loan files reviewed,
20 Respondents did not maintain records sufficient to establish that GFE or TIL disclosures were provided to
21 borrowers within three business days of receipt of a loan application, or Respondents did not provide GFE or
22 TIL disclosures to borrowers within three business days of receipt of a loan application.

23 **1.23 Unlawful or Unearned Fees.** In at least five of the nine loan files reviewed, Respondents charged
24 underwriting fees on loans in which it acted as a non-delegated correspondent or on loans it used an automated
25 underwriting system on or Respondents charged both a loan origination and a mortgage broker fee.

1 **1.24 On-Going Investigation.** The Department’s investigation into the alleged violations of the Act by
2 Respondents continues to date.

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

4 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-006,
5 “Mortgage Broker” means any person who, for compensation or gain, or in the expectation of compensation or
6 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential
7 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a
8 person in obtaining or applying to obtain a residential mortgage loan.

9 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10) and WAC 208-660-006, “Loan
10 Originator” means a natural person who (a) takes a residential mortgage loan application for a mortgage broker,
11 or (b) offers or negotiates terms of a mortgage loan, for direct or indirect compensation or gain, or in
12 expectation of direct or indirect compensation or gain. “Loan Originator” also includes a person who holds
13 themselves out to the public as able to perform any of these activities.

14 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(2), a “Borrower” is defined as any person who
15 consults with or retains a mortgage broker or loan originator in an effort to obtain or seek advice or information
16 on obtaining or applying to obtain a residential mortgage loan for himself, herself, or persons including himself
17 or herself, regardless of whether the person actually obtains such a loan.

18 **2.4 Requirement to Obtain or Maintain Loan Originator License.** Based on the Factual Allegations set
19 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(2) and (3), RCW
20 19.146.200(1), and WAC 208-660-350(3) for engaging in the business of a loan originator without first
21 obtaining and maintaining a license under the Act.

22 **2.5 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245 and WAC 208-660-
23 155(3), a licensed mortgage broker is liable for any conduct violating the Act by the designated broker or loan
24 originator employed or engaged by the licensed mortgage broker. Pursuant to RCW 19.146.200(4)(a) and (b), a
25 designated broker or principal of a licensed mortgage broker is liable for an employee’s violations of the act if

1 the designated broker or principal directs or instructs the conduct or with knowledge of the specific conduct
2 approves or allows the conduct, or knows or by the exercise of reasonable care and inquiry should have known
3 of the conduct at the time when its consequences can be avoided or mitigated and fails to take reasonable
4 remedial action.

5 **2.6 Affiliated Business Disclosures.** Based on the Factual Allegations set forth in Section I above,
6 Respondents are in apparent violation of RCW 19.146.0201(6) and (11), and Regulation X, 24 C.F.R. Section
7 3500.15(1996) for failure to provide affiliated business disclosures.

8 **2.7 Loan Originator License Number Disclosure.** Based on the Factual Allegations set forth in Section I
9 above, Respondents are in apparent violation of WAC 208-660-350(27) and (28) for failure to disclose the loan
10 originator's license number on residential mortgage loan applications.

11 **2.8 Disclosures Other than GFE and TIL.** Based on the Factual Allegations set forth in Section I above,
12 Respondents are in apparent violation of RCW 19.146.0201(6) and (11), RCW 19.146.030(1)(2)(c)(d) and (3),
13 WAC 208-660-430(3)(c) and (e), and Regulation X, 24 C.F.R. Section 3500.21(b)(1) (1996), for failure to
14 provide rate lock disclosures, or "if borrower is unable to obtain a loan for any reason" disclosure or loan
15 servicing disclosures.

16 **2.9 GFE and TIL Disclosures.** Based on the Factual Allegations set forth in Section I above, Respondents
17 are in apparent violation of RCW 19.146.0201(6) and (11), RCW 19.146.030(1) and (2), and WAC 208-660-
18 430, and Regulations X, 24 C.F.R. Section 3500.21(b)(1) (1996), Regulation Z, 12 C.F.R Section 226.18(d)(1)
19 (2001), and Regulation Z, 12 C.F.R. Section 226.5(b) and 226.22(a) (2001) for failure to provide required GFE
20 and TIL disclosures within three business days of receiving a loan application or failure to specifically identify
21 fees that inure to the benefit of the mortgage broker or for failure to provide a complete or accurate TIL
22 disclosures to consumers.

23 **2.10 Trust Account Violations.** Based on the Factual Allegations set forth in Section I above, Respondents
24 are in apparent violation of RCW 19.146.050(1) for failing to deposit into a trust account, prior to the end of the
25

1 third business day following receipt of such funds, all monies received by a mortgage broker from a borrower
2 for payment of third-party provider services.

3 **2.11 Unlawful or Unearned Fee Violations.** Based on the Factual Allegations set forth in Section 1 above,
4 Respondents are in apparent violation of RCW 19.146.0201(6) and (11), WAC 208-660-006 and Regulation X,
5 24 C.F.R. Section 3500.14(1996) for charging an underwriting fee as a non delegated correspondent or when
6 using an automated underwriting system, or charging both a loan origination and a mortgage broker fee.

7 **2.12 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in
8 apparent violation of RCW 19.146.0201(1), (2) and (3) for directly or indirectly employing any scheme, device
9 or artifice to defraud or mislead any borrower or any person or engaging in any unfair or deceptive practice
10 toward any person or directly or indirectly obtaining property by fraud or misrepresentation.

11 **2.13 Record Keeping.** Based on the Factual Allegations set forth in Section I above, Respondents are in
12 apparent violation of RCW 19.146.060 and WAC 208-660-450 for failing to maintain sufficient records to
13 enable the Director to determine whether the licensee is complying with the Act.

14 III. AUTHORITY TO IMPOSE SANCTIONS

15 **3.1 Authority to Revoke or Suspend License.** Pursuant to RCW 19.146.220(2)(b),(d), and (e), the
16 Director may revoke or suspend a license for false statements or omission of material information on the
17 application that, if known, would have allowed the director to deny the application for the original license,
18 failure to comply with any directive or order of the Director, or any violation of chapter 19.146 RCW.

19 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a),(b) and (d), the Director
20 may issue orders removing from office or prohibiting from participation in the conduct of the affairs of a
21 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage
22 broker or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
23 (13), RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265,
24 false statements or omission of material information on the application that, if known, would have allowed the

1 Director to deny the application for the original license, or failure to comply with a directive or order of the
2 Director.

3 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(b),(d) and (e) and RCW 19.146.220(3) (a)
4 and (b), the Director may impose fines on a licensee, employee or loan originator of the licensee, or other
5 person subject to the Act for any violations of RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030
6 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), RCW 19.146.265, failure to comply with a
7 directive or order of the Director or any violation of Chapter 19.146 RCW.

8 **3.4 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2)(b),(d) and (e), the Director may issue
9 orders directing a licensee, its employee or loan originator, or other person subject to the Act to pay restitution.

10 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-550(5),
11 upon completion of any investigation of the books and records of a licensee or other person subject to the Act,
12 the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the
13 investigation. The investigation charge will be calculated at the rate of forty-eight dollars (\$48) per hour that
14 each staff person devoted to the investigation.

15 **3.6 Authority to Collect Travel Costs.** Pursuant to RCW 19.146.228(2) and WAC 208-660-550(6), the
16 Department, if the mortgage business is out-of-state, will charge the business the travel costs associated with the
17 investigation, including but not limited to transportation, meals and lodging.

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

19 Respondents' 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 19.146.210, RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223.

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

23 **4.1** Respondent American Premier Funding Inc.'s license to conduct the business of a mortgage broker be
24 revoked or suspended; and

25 **4.2** Respondent Eric Vaca's license to conduct the business of a loan originator and designated broker be
revoked or suspended; and

- 1 **4.3** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
2 Michelle Karvounis, Irene Guevara, and Nancy Karvounis be prohibited from participation in the conduct
3 of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of
4 five (5) years; and
- 5 **4.4** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
6 Michelle Karvounis, Irene Guevara, and Nancy Karvounis jointly and severally pay a fine, which as of the
7 date of these charges totals \$35,000; and
- 8 **4.5** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
9 Michelle Karvounis, Irene Guevara, and Nancy Karvounis jointly and severally refund all fees that inured
10 to Respondents' benefit to the borrowers listed in paragraphs 1.3 through 1.22, and 1.24 through 1.25; and
- 11 **4.6** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
12 Michelle Karvounis, Irene Guevara, and Nancy Karvounis jointly and severally refund all third party fees
13 received from escrow on all loans referred to in paragraph 1.23 above; and
- 14 **4.7** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
15 Michelle Karvounis, Irene Guevara, and Nancy Karvounis jointly and severally pay an investigation fee in
16 the amount of \$4,848 calculated at \$48 per hour for the one hundred one (101) staff hours, as of the date of
17 this Statement of Charges, devoted to the investigation; and
- 18 **4.8** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
19 Michelle Karvounis, Irene Guevara, and Nancy Karvounis jointly and severally pay travel recovery costs
20 which as of the date of this Statement of Charges, totals \$1,159.65 (interest accruing); and
- 21 **4.9** Respondents American Premier Funding Inc, Eric Vaca, Quartez Wynn, Drew Greene, Daniel Pisani,
22 Michelle Karvounis, Irene Guevara, and Nancy Karvounis maintain records in compliance with the Act
23 and provide the Department with the location of the books, records and other information relating to
24 Respondent American Premier Funding Inc's mortgage broker business, and the name, address and
25 telephone number of the individual responsible for maintenance of such records in compliance with the
 Act.
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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221,
3 RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The
4 Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the
5 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
6 Statement of Charges.

7
8 Dated this 7th day of December, 2009.



9
10 *Deborah Bortner*

11 DEBORAH BORTNER
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

16 *Marnie Sheeran*
17 MARNIE SHEERAN
18 Financial Legal Examiner

19 Approved by:

20 *James R. Brusselback*
21 JAMES R. BRUSSELBACK
22 Enforcement Chief