

## ORDER SUMMARY – Case Number: C-12-1046

**Name(s):** Ian O. Shoel  
 \_\_\_\_\_  
 \_\_\_\_\_

**Order Number:** C-12-1046-13-FO01  
 \_\_\_\_\_

**Effective Date:** March 4, 2013  
 \_\_\_\_\_

**License Number:** N/A  
**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:**  
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**Not Apply Until:**  
 \_\_\_\_\_

**Not Eligible Until:**  
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**Prohibition/Ban Until:**  
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<b>Investigation Costs</b>	\$240	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$3000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$2350	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
	No. of Victims:			

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

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IN THE MATTER OF DETERMINING:  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:  
  
IAN O. SHOEL, Unlicensed Loan Originator,  
  
Respondent.

No.: C-12-1046-13-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), through his designee, Consumer Services Division Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On February 4, 2013, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Prohibit From Industry, Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) against Ian O. Shoel (Respondent). 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 February 4, 2013, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

On February 4, 2013, the Department served Respondent with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery. On February 5, 2013, the documents sent by Federal Express overnight delivery were delivered. The documents sent by First-Class mail were not returned to the Department by the United States Postal Service.

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

4 B. Record Presented. The record presented to the Director's designee for her review and  
5 for entry of a final decision included the following:

- 6 1. Statement of Charges;
- 7 2. Cover letter dated February 4, 2013;
- 8 3. Notice of Opportunity to Defend and Opportunity for Hearing; and
- 9 4. Blank Application for Adjudicative Hearing for Respondent, with documentation  
10 for service.

11 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the  
12 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

## 13 II. FINAL ORDER

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

16 A. IT IS HEREBY ORDERED, That:

- 17 1. Respondent Ian O. Shoel cease and desist from engaging in the business of a  
18 mortgage broker or loan originator, including providing loan modification services  
19 in Washington State without first obtaining and maintaining a license, or  
20 qualifying for an exemption from licensure, under the Act.
- 21 2. Respondent Ian O. Shoel is prohibited from participation in the conduct of the  
22 affairs of any mortgage broker or loan originator subject to licensure by the  
23 Director, in any manner, for a period of five years.
- 24 3. Respondent Ian O. Shoel pay a fine of \$3,000.
4. Respondent Ian O. Shoel pay \$2,350 in restitution to the one consumer identified  
in paragraph 1.2 in the Statement of Charges.
5. Respondent Ian O. Shoel pay an investigation fee of \$240.

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2 6. Respondent Ian O. Shoel maintain records in compliance with the Act and provide  
3 the Department with the locations of the books, records, and other information  
4 relating to INC Financial Corp's mortgage broker business, and the name, address,  
5 and telephone number of the individual responsible for maintenance of such  
6 records in compliance with the Act.

7 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a  
8 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
9 must be filed in the Office of the Director of the Department of Financial Institutions by courier at  
10 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,  
11 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The  
12 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
13 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

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

23 E. Non-compliance with Order. If you do not comply with the terms of this order,  
24 including payment of any amounts owed within 30 days of receipt of this order, the Department may  
25 seek its enforcement by the Office of the Attorney General to include the collection of the fines, fees,

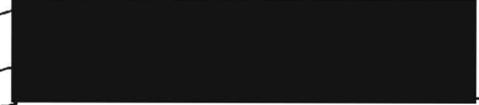
1 and restitution imposed herein. The Department also may assign the amounts owed to a collection  
2 agency for collection.

3 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial  
4 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
5 attached hereto.

6 DATED this 4<sup>th</sup> day of March, 2013



8 STATE OF WASHINGTON  
9 DEPARTMENT OF FINANCIAL INSTITUTIONS



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11 DEBORAH BORTNER  
12 Director  
13 Division of Consumer Services

1 STATE OF WASHINGTON  
2 DEPARTMENT OF FINANCIAL INSTITUTIONS  
3 DIVISION OF CONSUMER SERVICES

4 IN THE MATTER OF DETERMINING  
5 Whether there has been a violation of the  
6 Mortgage Broker Practices Act of Washington by:  
7 IAN O. SHOEL, Unlicensed Loan Originator,  
8 Respondent.

No. C-12-1046-12-SC01

9 STATEMENT OF CHARGES and  
10 NOTICE OF INTENTION TO ENTER AN  
11 ORDER TO CEASE AND DESIST,  
12 PROHIBIT FROM INDUSTRY, ORDER  
13 RESTITUTION, IMPOSE FINE, AND  
14 COLLECT INVESTIGATION FEE

15 INTRODUCTION

16 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of  
17 Financial Institutions of the State of Washington (Director) is responsible for the administration of  
18 chapter 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation  
19 pursuant to RCW 19.146.235, and based upon the facts available as of the date of this Statement of  
20 Charges, the Director, through his designee, Division of Consumer Services Director Deborah  
21 Bortner, institutes this proceeding and finds as follows:

22 I. FACTUAL ALLEGATIONS

23 **1.1 Respondent Ian O. Shoel (Shoel)** was licensed by the Department as a loan originator from  
24 March 14, 2007, through December 31, 2007. On or about June 29, 2010, Respondent Shoel  
submitted an incomplete loan originator application to the Department. On or about November 2,  
2010, Respondent Shoel's application was deemed abandon after Respondent Shoel failed to submit a  
completed application to the Department. Respondent Shoel engaged in loan modification business  
under the name INC Financial Corp. INC Financial Corp. has never been licensed by the Department  
to conduct business as mortgage broker or loan originator in the state of Washington.

1 **1.2 Unlicensed Activity.** At least in and around May 2010, Respondent assisted or held himself  
2 out as able to assist at least one consumer in applying to obtain a loan modification on at least one  
3 property located in the state of Washington. Consumer [REDACTED] paid Respondent fees totaling \$2,350.

4 **1.3 Request for Remedial Action.** On or about January 2, 2013, the Department issued a  
5 Resolution and Request for Action (R&R) requesting that Respondent refund \$2,350 to consumer  
6 C.A. by January 17, 2013. The R&R was sent via U.S. First-Class mail and via Federal Express.  
7 The R&R sent via First-Class mail was not returned to the Department by the U.S. postal service.  
8 The R&R sent via Federal Express was delivered and signed for by I. Shoel. To date, Respondent  
9 has not provided consumer C.A. with a refund and did not respond to the Department.

## 10 **II. GROUNDS FOR ENTRY OF ORDER**

11 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,  
12 "Mortgage broker" means any person who, for compensation or gain, or in the expectation of  
13 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage  
14 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to  
15 obtain a residential mortgage loan.

16 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,  
17 "Loan originator" means a natural person who for direct or indirect compensation or gain, or in the  
18 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
19 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
20 loan modification services; or holds themselves out to the public as able to perform any of these  
21 activities.

22 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006,  
23 "Borrower" means any person who consults with or retains a mortgage broker or loan originator in an

1 effort to obtain or seek advice or information on obtaining or applying to obtain a residential  
2 mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the  
3 person actually obtains such a loan.

4 **2.4 Definition of Residential Mortgage Loan Modification.** Pursuant to RCW 19.146.010(20)  
5 and WAC 208-660-006, "Residential mortgage loan modification" means a change in one or more of  
6 a residential mortgage loan's terms or conditions. Changes to a residential mortgage loan's terms or  
7 conditions include but are not limited to forbearances, repayment plans, changes in interest rates, loan  
8 terms, or loan types, capitalization of arrearages, or principal reductions.

9 **2.5 Definition of Residential Mortgage Loan Modification Services.** Pursuant to RCW  
10 19.146.010(21) and WAC 208-660-006, "Residential mortgage loan modification services" includes  
11 negotiating, attempting to negotiate, arranging, attempting to arrange, or otherwise offering to  
12 perform a residential mortgage loan modification. "Residential mortgage loan modification services"  
13 also includes the collection of data for submission to any entity performing mortgage loan  
14 modification services.

15 **2.6 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
16 Allegations set forth in Section I above, Respondent Shoel is in apparent violation of RCW  
17 19.146.200(1) and WAC 208-660-155 for engaging in the business of a loan originator without first  
18 obtaining and maintaining a license under the Act.

19 **2.7 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
20 19.146.060 and WAC 208-660-450, Respondent is required to keep all books and records in a  
21 location that is on file with and readily available to the Department until at least twenty-five months  
22 have elapsed following the effective period to which the books and records relate.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
3 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,  
4 agent, or other person subject to the Act to cease and desist from conducting business.

5 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
6 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
7 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
8 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
9 19.146.200.

10 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
11 restitution against licensees or other persons subject to the Act for any violation of the Act.

12 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(3), the Director may impose fines  
13 on an employee, loan originator, independent contractor, or agent of the licensee, or other person  
14 subject to the Act, for any violations of RCW 19.146.200.

15 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
16 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour  
17 for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

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,  
20 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
21 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and  
22 RCW 19.146.223. Therefore, it is the Director's intention to **ORDER** that:

23 **4.1** Respondent Ian O. Shoel cease and desist from engaging in the business of a mortgage  
24 broker or loan originator, including providing loan modification services in

1 Washington State without first obtaining and maintaining a license, or qualifying for  
2 an exemption from licensure under the Act.

3 4.2 Respondent Ian O. Shoel be prohibited from participation in the conduct of the affairs  
4 of any mortgage broker or loan originator subject to licensure by the Director, in any  
5 manner, for a period of five years.

6 4.3 Respondent Ian O. Shoel pay a fine. As of the date of this Statement of Charges, the  
7 fine totals \$3,000.

8 4.4 Respondent Ian O. Shoel pay restitution totaling at least \$2,350 to the consumer  
9 identified in paragraph 1.2 of this Statement of Charges and to all other Washington  
10 residents who paid Respondent for loan modification services.

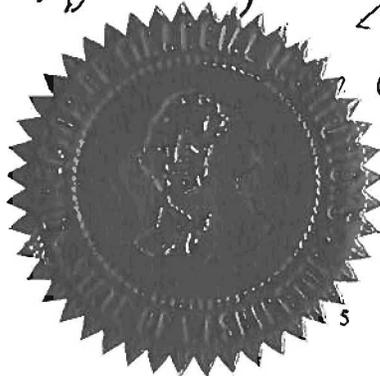
11 4.5 Respondent Ian O. Shoel pay an investigation fee. As of the date of this Statement of  
12 Charges, the investigation fee totals \$240 for five hours of staff time.

13 4.6 Respondent Ian O. Shoel maintain records in compliance with the Act and provide the  
14 Department with the location of the books, records and other information relating to  
15 INC Financial Corp's mortgage broker business, and the name, address and telephone  
16 number of the individual responsible for maintenance of such records in compliance  
17 with the Act.

### 18 V. AUTHORITY AND PROCEDURE

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

24 Dated this 4th day of January, 2013. *26*



*[Redacted Signature]*  
DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

1 Presented by:

2 [Redacted signature]

3 DEBORAH TAELLIUS  
4 Financial Legal Examiner

5 Approved by:

6 [Redacted signature]

7 CHARLES CLARK  
8 Enforcement Chief

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