

ORDER SUMMARY – Case Number: C-12-1050

Name(s): Sabir Khan

Order Number: C-12-1050-13-CO01

Effective Date: March 19, 2014

License Number: Unlicensed entity
 Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: _____

Not Apply Until: 3/19/2019

Not Eligible Until: 3/19/2019

Prohibition/Ban Until: 3/19/2019

Investigation Costs	\$456	Due: see below	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$3,000	Due: see below	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$00	Due: NA	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,500	Due: see below	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Confession of Judgment	\$5,956	Due: Pending	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:				

Comments: Mr. Khan is ordered to cease and desist engaging in the business of a mortgage broker or loan originator; provide the Department with a list detailing all residential mortgage loan modification services transactions with Washington consumers; maintain records; and is prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director for a period of five (5) year. Mr. Khan is also ordered to pay a fine of \$3,000; an investigation fee of \$456; and restitution in the amount of \$2,500. Respondent has agreed that upon entry of this Consent Order Respondent will commence making payments in the amount of \$200 per month until paid in full. Additionally, Respondent has signed a Confession of Judgment

1 Based upon the foregoing:

2 A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
3 of the activities discussed herein.

4 B. **Waiver of Hearing.** It is AGREED that Respondent Khan has been informed of the right
5 to a hearing before an administrative law judge, and hereby waives his right to a hearing and any and
6 all administrative and judicial review of the issues raised in this matter, or of the resolution reached
7 herein. Accordingly, Respondent Khan, by his signature below, withdraws his appeal to the Office of
8 Administrative Hearings.

9 C. **Admissions.** It is AGREED that Respondent Khan admits to the following facts:

- 10 • Respondent Khan has never been licensed by the Department to conduct the business
11 of a mortgage broker or loan originator.
- 12 • From at least February 18, 2010, through at least April 20, 2010, Respondent Khan
13 offered to provide at least one (1) consumer located in the state of Washington with
14 residential mortgage loan modification services related to residential mortgage loans
secured by real property located in the state of Washington; and collected \$2,500 in
advance fees from this consumer as identified and itemized in paragraph 1.4 of the
Statement of Charges.

15 D. **Mortgage Broker Activity.** It is AGREED that Respondent Khan shall cease and desist
16 from conducting the business of a mortgage broker without obtaining and maintaining a mortgage
17 broker license or qualifying for an exemption from licensure under the Act.

18 E. **Loan Originator Activity.** It is AGREED that Respondent Khan shall cease and desist
19 from conducting the business of a loan originator without obtaining and maintaining a loan originator
20 license or qualifying for an exemption from licensure under the Act.

21 F. **Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the
22 date of entry of this Consent Order, Respondent Khan is prohibited from participating, in any
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1 capacity, in the conduct or the affairs of any mortgage broker licensed by the Department or subject
2 to licensure or regulation by the Department.

3 G. IT IS HEREBY ORDERED, That:

- 4 1. Respondent Sabir Khan cease and desist engaging in the business of a mortgage
5 broker or loan originator.
- 6 2. Respondent Sabir Khan provide the Department with a list detailing all residential
7 mortgage loan modification services transactions with Washington consumers,
8 including the name, address, and phone numbers of the consumers, the transaction
9 date, and fees collected by Respondents for the provision of those services.
- 10 3. Respondent Sabir Khan be prohibited from participation in the conduct of the
11 affairs of any mortgage broker subject to licensure by the Director, in any manner,
12 for a period of five (5) years.
- 13 4. Respondent Sabir Khan jointly and severally with Respondents Isis Consulting
14 LLC and Emily Berger and with any other Respondents in the matter found to
15 have violated the Act pay a fine of \$3,000.
- 16 5. Respondent Sabir Khan jointly and severally with Respondents Isis Consulting
17 LLC and Emily Berger and with any other Respondents in the matter found to
18 have violated the Act pay \$2,500 in restitution to consumer R.N.
- 19 6. Respondent Sabir Khan jointly and severally with Respondents Isis Consulting
20 LLC and Emily Berger and with any other Respondents in the matter found to
21 have violated the Act pay an investigation fee of \$456.
- 22 7. Respondent Sabir Khan maintain records in compliance with Chapter 19.146
23 RCW, Mortgage Broker Practices Act, and provide the Director with the location
24 of the books, records and other information relating to Respondents' industry
business, and the name, address and telephone number of the individual
responsible for maintenance of such records in compliance with the Act.

19 H. **Confession of Judgment.** It is AGREED that the \$5,956.00 owed to the Department of
20 Financial Institutions shall be secured by a Confession of Judgment which shall be signed and dated
21 by Respondent Khan and provided to the Department with this Consent Order. In addition,
22 Respondent Sabir Khan shall commence paying \$200.00 per month to the Washington State
23 Department of Financial Institutions, beginning April 15, 2014 and every 15th day of each month

1 thereafter until the Consent Order is satisfied. Checks shall be made payable to "Washington State
2 Treasurer". If payments are not received, the Department shall immediately refer to Collections
3 without further notice to Respondent Khan. A copy of the Confession of Judgment is attached and
4 incorporated into this Consent Order by this reference, however the Confession of Judgment will not
5 be filed with the Court unless a payment is missed or a payment is in default. Consistent with chapter
6 4.60 RCW, the Department may immediately seek entry of the Confession of Judgment should the
7 Respondent Khan fail to make a payment or the payment is in default.

8 **I. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the
9 consent of any person or entity not a party to this Consent Order to take any action concerning their
10 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
11 Order, this Consent Order does not limit or create any private rights or remedies against Respondent
12 Khan, limit or create liability of Respondent Khan, or limit or create defenses of Respondent Khan to
13 any claims.

14 **J. Change of Address.** It is AGREED that for the duration of the period this Consent Order
15 is in effect, unless otherwise agreed to in writing by the Department, Respondent Khan shall provide
16 the Department with a mailing address and telephone number at which Respondent Khan can be
17 contacted and Respondent Khan shall notify the Department in writing of any changes to his mailing
18 address or telephone number within fifteen days of any such change.

19 **K. Non-Compliance with Order.** It is AGREED that Respondent Khan understands that
20 failure to abide by the terms and conditions of this Consent Order may result in further legal action
21 by the Director. In the event of such legal action, Respondent Khan may be responsible to reimburse
22 the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.
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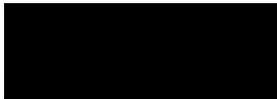
1 L. **Voluntarily Entered.** It is AGREED that the undersigned Respondent Khan has
2 voluntarily entered into this Consent Order, which is effective when signed by the Director's
3 designee.

4 M. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent Khan has
5 read this Consent Order in its entirety and fully understands and agrees to all of the same.

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18 **RESPONDENT:**

19 By:

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21 Sabir Khan

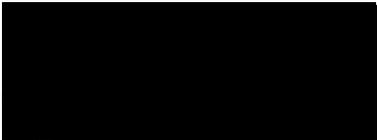
03-17-2014

22 Date

23 DO NOT WRITE BELOW THIS LINE

24 THIS ORDER ENTERED THIS 19th DAY OF March, 2014.

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DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



Barbara Penttila
Financial Legal Examiner

Approved by:



Charles E. Clark
Enforcement Chief

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7 **STATE OF WASHINGTON**
8 **KING COUNTY SUPERIOR COURT**

9 STATE OF WASHINGTON,
10 DEPARTMENT OF FINANCIAL
11 INSTITUTIONS,

12 Plaintiff,

13 v.

14 SABIR KHAN,

15 Defendant.

NO.

CONFESSION OF JUDGMENT

16 **Judgment Summary**

17 Judgment Creditor for Fine
18 And Investigation Fee:

Washington State Department of Financial
Institutions

19 Judgment Creditor
20 for Restitution:

Rafiq Noori

21 Attorneys for Department of
22 Financial Institutions:

Robert W. Ferguson, Washington Attorney General
Mandy Weeks, Assistant Attorney General

23 Judgment Debtor:

Sabir Khan

24 Fine:

\$3,000.00

25 Investigation Fee:

\$456.00

26 Principal Judgment Amount
for Restitution:

\$2,500.00 owed to Rafiq Noori

Total Judgment Amount:

\$5,956.00

1 Post-Judgment Interest (per annum): 12%

2 Pursuant to Chapter 4.60 of the Revised Code of Washington, Judgment by Confession,
3 defendant Sabir Khan hereby authorizes entry of a judgment under the following terms:

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5 **Factual Basis for Judgment**

6 The State of Washington, Department of Financial Institutions and Sabir Khan have
7 agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-12-1050-
8 12-SC01 (Statement of Charges), entered September 27, 2012. Sabir Khan has agreed to enter
9 into a Confession of Judgment, pursuant to chapter 4.60 RCW, in the amount of \$5,956.00,
10 which he shall pay to the Department of Financial Institutions.

11 **Authorization for Entry of Judgment**

12 I, Sabir Khan, being duly sworn upon oath, acknowledge my debt of \$5,956.00 to the
13 Washington State Department of Financial Institutions and I authorize entry of judgment
14 against me for the amount set forth in the judgment summary above.

15 DATED this 17 day of MARCH, 2014.

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17 
18 Sabir Khan

19 SUBSCRIBED AND SWORN TO before me in _____, Washington this
20 _____ day of _____, 2014.

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22 _____
23 Notary Public in and for the State of
24 Washington, residing at _____,
25 Washington.
26 My Commission expires: _____

Order for Entry

1 The above Confession of Judgment having been presented to this Court for entry in
2 accordance with RCW 4.60.070, the Court having found said Confession of Judgment to be
3 sufficient, now, therefore, it is hereby

4 ORDERED that the Clerk of this Court shall forthwith enter Judgment against Sabir
5 Khan, in accordance with the terms of the Confession of Judgment.

6 DONE IN OPEN COURT this _____ day of _____, 2014.

8 _____
9 JUDGE/COURT COMMISSIONER

10 Presented by:

11 ROBERT W. FERGUSON
12 Attorney General

13 _____
14 MANDY WEEEEKS, WSBA #45680
15 Assistant Attorney General
16 Attorneys for State of Washington
17 Department of Financial Institutions
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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:

ISIS CONSULTING LLC, and
EMILY BERGER, Owner and Unlicensed Loan
Originator, and
SABIR KHAN, Unlicensed Loan Originator,

Respondents.

No. C-12-1050-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO PRODUCE RECORDS,
CEASE AND DESIST BUSINESS,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
COLLECT INVESTIGATION FEE

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INTRODUCTION

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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). After having conducted an investigation pursuant to 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 Respondent Isis Consulting LLC (Respondent Isis) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or loan originator.

1.2 Respondent Emily Berger (Respondent Berger) is the owner of Respondent Isis. During the relevant time period, Respondent Berger was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1 **1.3 Respondent Sabir Khan (Respondent Khan)** is acting with and on behalf of Respondent
2 Isis. During the relevant time period, Respondent Khan was not licensed by the Department to
3 conduct business as a mortgage broker or loan originator.

4 **1.4 Unlicensed Activity.** On or about February 18, 2010, Respondents Isis, Berger, and
5 Khan (Respondents) were offering residential mortgage loan modification services to
6 Washington consumers on property located in Washington State. Respondents entered into a
7 contractual relationship with at least one Washington consumer to provide those services and
8 collected an advance fee for the provision of those services. The Department has received at
9 least one complaint from a Washington consumer alleging Respondents provided or offered to
10 provide residential mortgage loan modification services while not licensed by the Department to
11 provide those services. The consumer R.N. paid Respondents a fee of \$2,500 (\$1,900 in
12 checks, plus \$600 in cash).

13 **1.5 Misrepresentations and Omissions.** Respondents represented that they were licensed
14 to provide the residential mortgage loan modification services or omitted disclosing that they
15 were not licensed to provide those services.

16 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of
17 the Act by Respondents continues to date.

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

19 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
20 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
21 compensation or gain (a) assists a person in obtaining or applying to obtain a residential
22 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage
23 loan or assist a person in obtaining or applying to obtain a residential mortgage loan. Pursuant to
24 WAC 208-660-006, a person "assists a person in obtaining or applying to obtain a residential

1 mortgage loan' by, among other things, counseling on loan terms (rates, fees, other costs), [and]
2 preparing loan packages....”

3 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a
4 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
5 indirect compensation or gain: takes a residential mortgage loan application for a mortgage
6 broker; offers or negotiates terms of a mortgage loan; or holds themselves out to the public as
7 able to perform any of these activities.

8 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above,
9 Respondents are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair
10 or deceptive practice toward any person and obtaining property by fraud or misrepresentation.

11 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the
12 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
13 19.146.200(1) for engaging in the business of a mortgage broker for Washington residents or
14 property without first obtaining a license to do so.

15 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
16 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
17 19.146.200(1) for engaging in the business of a loan originator without first obtaining and
18 maintaining a license.

19 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to
20 RCW 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and
21 records in a location that is on file with and readily available to the Department until at least
22 twenty-five months have elapsed following the effective period to which the books and records
23 relate.

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1 **III. AUTHORITY TO ORDER PRODUCTION OF RECORDS**

2 **3.1 Authority to Order Production of Records.** Pursuant to RCW 19.146.223, RCW
3 19.146. 235(2), and WAC 208-660-520, the Director may issue orders directing any person to
4 produce books, accounts, records, files, and any other documents the director or designated
5 person deems relevant to an investigation.

6 **IV. AUTHORITY TO IMPOSE SANCTIONS**

7 **4.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4),
8 the Director may issue orders directing any person subject to the Act to cease and desist from
9 conducting business.

10 **4.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director
11 may issue orders prohibiting from participation in the conduct of the affairs of a licensed
12 mortgage broker any person subject to licensing under the Act for any violation of RCW
13 19.146.0201(1) through (9) or (13), or RCW 19.146.200.

14 **4.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may
15 order restitution against any person subject to the Act for any violation of the Act.

16 **4.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose
17 fines against any person subject to the Act for any violation of the Act.

18 **4.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC
19 208-660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner’s
20 time devoted to an investigation of any person subject to the Act.

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1 **V. NOTICE OF INTENT TO ENTER ORDER**

2 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660
3 WAC, as set forth above constitute a basis for the entry of an Order under RCW 19.146.220,
4 RCW 19.146.221, and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

- 5 **5.1** Respondents cease and desist engaging in the business of a mortgage broker or loan
6 originator.
- 7 **5.2** Respondents provide the Department with a list detailing all residential mortgage loan
8 modification services transactions with Washington consumers, including the name,
9 address, and phone numbers of the consumers, the transaction date, and fees collected by
10 Respondents for the provision of those services.
- 11 **5.3** Respondents be prohibited from participation in the conduct of the affairs of any
12 mortgage broker subject to licensure by the Director, in any manner, for a period of five
13 years.
- 14 **5.4** Respondents jointly and severally pay restitution to the one consumer identified by the
15 Department in paragraph 1.4 as having paid \$2,500 (\$1,900 in checks, plus \$600 in
16 cash) to Respondents, and that Respondents jointly and severally pay restitution to each
17 Washington consumer with whom they entered into a contract for residential mortgage
18 loan modification services related to real property or consumers located in the state of
19 Washington equal to the amount collected from that Washington consumer for those
20 services in an amount to be determined at hearing.
- 21 **5.5** Respondents jointly and severally pay a fine of \$3,000 for each residential loan
22 modification transaction entered into with Washington consumers. As of the date of this
23 Statement of Charges, the fine totals \$3,000.
- 24 **5.6** Respondents jointly and severally pay an investigation fee at the rate of \$48.00 per hour.
As of the date of this Statement of Charges, the investigation fee totals \$456.
- 5.7** Respondents maintain records in compliance with the Act and provide the Department
with the location of the books, records and other information relating to Respondents'
provision of residential mortgage loan modification services in Washington, and the
name, address and telephone number of the individual responsible for maintenance of
such records in compliance with the Act.

VI. AUTHORITY AND PROCEDURE

This 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

1 chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written
2 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
3 OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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5 Dated this 27th day of September, 2012.

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7 /s/
8 DEBORAH BORTNER
9 Director, Division of Consumer Services
10 Department of Financial Institutions

11 Presented by:

12 /s/
13 BARBARA J. PENTTILA
14 Financial Legal Examiner

15 Approved by:

16 /s/
17 CHARLES E. CLARK
18 Enforcement Chief