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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
Consumer Loan Act of Washington by:

C-14-1447-14-TD01

RICHARD JOHN SERACKA,
Mortgage Loan Originator, NMLS # 91476,

TEMPORARY ORDER TO CEASE
AND DESIST AND SUMMARY
SUSPENSION OF LICENSE

Respondent.

THE STATE OF WASHINGTON TO: RICHARD JOHN SERACKA

COMES NOW the Director of the Washington State Department of Financial Institutions (Director), by and through his designee Deborah Bortner, Division Director, Division of Consumer Services (designee), and finding that the public is likely to be substantially injured by delay in issuing a cease and desist order, enters this temporary order to cease and desist and summary suspension of license pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), based on the following findings:

I. FACTUAL FINDINGS

1.1 Respondent.

A. Richard John Seracka (Respondent Seracka). Respondent Seracka is a mortgage loan originator licensed under the Act. Respondent Seracka was originally licensed on or about May 23, 2007, and was licensed at all times relevant to this Temporary Order to Cease and Desist. Respondent Seracka was sponsored by consumer loan company Washington First Mortgage Loan Corporation (Washington First Mortgage) on or about May 8, 2012. Respondent Seracka's sponsorship was removed on or about February 12, 2014. Respondent Seracka's mortgage loan originator license has been inactive since February 14, 2014.

1.2 Termination. On or about February 6, 2014, Respondent Seracka's employment was terminated by Washington First Mortgage. Subsequently, loan documents were found in Respondent Seracka's office which contained apparent alterations, including alterations related to borrower signatures.

1 **1.3 Altered Documents.** On at least two occasions, Respondent Seracka altered documents related to a
2 residential mortgage loan application. In the residential mortgage loan file of borrower L.F., Respondent
3 Seracka taped a copy of the borrower's signature to an unsigned letter of explanation. In the residential
4 mortgage loan file of borrower R.C., Respondent Seracka photocopied the borrower's signature and used that
5 signature to complete several loan documents.

6 **1.4 Conducting Business as a Mortgage Loan Originator with Inactive License.** Respondent Seracka
7 received an application for a residential mortgage loan from borrowers R.S. and K.S. on or about November 23,
8 2013. The borrowers then indicated that they did not wish to proceed with the application on or about
9 November 25, 2013. Respondent Seracka continued to communicate with borrowers R.S. and K.S., who
10 expressed an intention to proceed with a new application on or about February 3, 2014. Respondent Seracka
11 continued to assist borrowers R.S. and K.S. after being terminated by Washington First Mortgage. Respondent
12 Seracka was assisted by [REDACTED], a licensed Mortgage Loan Originator, who
13 submitted an application for a residential mortgage loan through Washington First Mortgage for borrowers R.S.
14 and K.S. [REDACTED] indicated that he was the loan originator on this application which was dated February
15 26, 2014. Thereafter, Respondent Seracka continued to assist the borrowers, including soliciting and receiving
16 documents necessary to apply for a residential mortgage loan.

17 **1.5 Substantial Injury to the Public.** Respondent's apparent violations of the Act are such that the
18 public is likely to be substantially injured by delay in issuing a cease and desist order.

19 II. GROUNDS FOR ENTRY OF ORDER

20 **2.1 Altered Documents.** Based on the Factual Findings set forth in Section I above, Respondent Seracka
21 is in apparent violation of RCW 31.04.027(2) for directly or indirectly engaging in an unfair or deceptive
22 practice toward any person by altering documents.

23 **2.2 Activity with Inactive License.** Based on the Factual Findings set forth in Section I above,
24 Respondent Seracka is in apparent violation of RCW 31.04.027(2) and WAC 208-620-710(11) by conducting
25 the activities of a loan originator or holding himself out as a loan originator while holding an inactive license.

1 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

2 **3.1 Authority to Issue Order to Cease and Desist.** Pursuant to RCW 31.04.093(5), the director may
3 issue an order directing the licensee, its employee or loan originator, or other person subject to the Act to cease
4 and desist from conducting business in a manner that is injurious to the public or violates any provision of the
5 Act; and take such affirmative action as is necessary to comply with the Act.

6 **3.2 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW 31.04.093(8),
7 whenever the Director determines that the public is likely to be substantially injured by delay in issuing a cease
8 and desist order, the director may immediately issue a temporary cease and desist order. The order may direct
9 the licensee to discontinue any violation of the Act, to take such affirmative action as is necessary to comply
10 with the Act, and may include a summary suspension of the licensee’s license and may order the licensee to
11 immediately cease the conduct of business under the Act. The order shall become effective at the time
12 specified in the order.

13 **IV. ORDER**

14 Based on the above Factual Findings, Grounds for Entry of Order, and Authority to Issue Temporary
15 Order to Cease and Desist, and pursuant to RCW 31.04.093 and RCW 31.04.165, the Director determines that
16 the public is likely to be substantially harmed by a delay in entering a cease and desist order. Therefore, the
17 Director ORDERS that:

18 **4.1** Respondent Richard John Seracka’s license to conduct the business of a Mortgage Loan
19 Originator is summarily suspended.

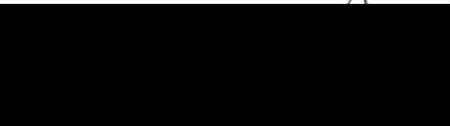
20 **4.2** Respondent Richard John Seracka shall immediately cease and desist from engaging in the
21 business of a mortgage loan originator.

22 **NOTICE**

23 **PURSUANT TO CHAPTER 31.04 RCW, YOU ARE ENTITLED TO A HEARING WITHIN 14 DAYS**
24 **OF REQUEST TO DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU**
25 **DESIRE A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR**

1 ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE. FAILURE TO
2 COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE HEARING FORM SO THAT IT IS
3 RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS OF
4 THE DATE THAT THIS ORDER WAS SERVED ON YOU WILL CONSTITUTE A DEFAULT AND WILL
5 RESULT IN THE LOSS OF YOUR RIGHT TO A HEARING. SERVICE ON YOU IS DEFINED AS POSTING
6 IN THE U.S. MAIL, POSTAGE PREPAID, TO YOUR LAST KNOWN ADDRESS. BE ADVISED THAT
7 DEFAULT WILL RESULT IN THIS ORDER TO CEASE AND DESIST BECOMING PERMANENT ON THE
8 TWENTY-FIRST (21ST) DAY FOLLOWING SERVICE OF THIS ORDER UPON YOU.

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10
11 DATED this 1st day of April, 2014.



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