Terms Completed

ORDER SUMMARY – Case Number: C-21-3250

Name:	Logan Finance Corporation				
Order Number:	C-21-3250-22-CO01				
Effective Date:	February 2, 20	22			
License Number: Or NMLS Identifier [U/L]	NMLS No. 127722				
License Effect:	N/A				
Not Apply Until:	N/A				
Not Eligible Until:	N/A				
Prohibition/Ban Until:	N/A				
Investigation Costs	\$ N/A		Paid N N	Date	
Fine	\$ 500.00	Due: Upon Entry of Consent Order	Paid ⊠ Y □ N	Date 1/24/22	
Assessment(s)	\$ N/A	Due	Paid	Date	
Restitution	\$ N/A	Due	Paid N	Date	
Financial Literacy and Education	\$ N/A	Due	Paid Y N	Date	
Cost of Prosecution	\$ N/A	Due	Paid N	Date	
	No. of Victims:				
Comments:					

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:

No.: C-21-3250-22-CO01

Logan Finance Corporation,

CONSENT ORDER

NMLS No. 127722.

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Respondent.

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Lucinda Fazio, Director, Division of Consumer Services, and Logan Finance Corporation (Respondent), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to Revised Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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FINDINGS OF FACT

- 1.1 On or about September 24, 2021, Respondent submitted an application to the Department of 15 Financial Institutions of the State of Washington (Department) to engage in the business of a 16 consumer loan company under the Act. Respondent had not previously been licensed to conduct any 17 business under the Act.
 - In furtherance of their license application, Respondent self-reported that in or about August 1.2 2020, Respondent began servicing Washington State residential mortgage loans. In the twelve months preceding the date of the application, Respondent has serviced at least two such loans.

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1.3 On or about June 30, 2021, Respondent underwent a change in control that replaced both shareholders and executive officers of Respondent, and none of the present control officers or directors were involved in the onboarding of the unlicensed activity.

CONCLUSIONS OF LAW

2.1 Based on the above Findings of Fact, Respondent violated RCW 31.04.035 by engaging in the business of a consumer loan company in the state of Washington without first obtaining and maintaining a license in accordance with the Act or meeting an exclusion from the Act under RCW 31.04.025.

AGREEMENT AND ORDER

The Department and Respondent have agreed upon a basis for resolution of the Findings of Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further agree that the matters alleged herein may be economically and efficiently settled by the entry of this Consent Order.

Based on the foregoing:

- **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.
- **B.** Waiver of Hearing. It is AGREED that Respondent hereby waives any right it has to a hearing and any and all administrative and judicial review of the issues raised in this matter or the resolution reached herein.
- C. No Admission of Liability. The parties intend this Consent Order to fully resolve the matters alleged herein and agree that Respondent neither admits nor denies any wrongdoing by its entry.

CONSENT ORDER
C-21-3250-22-CO01
LOGAN FINANCE CORPORATION

D. Consumer Loan License Required. Subject to Paragraph G of this Consent Order, it is AGREED that Respondent understands that in order to service any Washington State residential mortgage loan accounts or make loans to Washington State residents, Respondent must obtain a consumer loan license in accordance with the Act or qualify for an exemption from licensing as delineated in the Act. It is FURTHER AGREED that Respondent provided the Department with assurance that Respondent would not accept any new Washington State residential mortgage loan servicing accounts or accept any new applications for loans until such time as Respondent obtains a license in accordance with the Act.

E. Fine. It is AGREED that Respondent shall pay a fine to the Department in the amount of \$500.00, in the form of a cashier's check made payable to the "Washington State Treasurer" upon delivery of this Consent Order, properly dated and signed.

F. Records Retention. It is AGREED that Respondent, its officers, employees, and agents shall maintain records in compliance with the Act and provide the Director with the location of the books, records, and other information relating to Respondent's consumer loan business conducted prior to licensure, and the name, address, and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

G. Application for Consumer Loan License. It is AGREED that the entry of this Consent Order will not preclude Respondent from obtaining a consumer loan license pursuant to Respondent's pending consumer loan license application with the Department. It is FURTHER AGREED that upon payment to the Department of the sum required under Paragraph E of this Consent Order, SO LONG AS all requirements under chapter 31.04 RCW and 208-620 WAC are satisfactorily met and the application is complete as determined by the Department, the Department will process Respondent's pending consumer loan license application in due course. Respondent will be timely notified of any additional licensing requirements. Respondent agrees to timely respond to any such requests.

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1	H. Non-Compliance with C	Order. It is AGREED that Respondent understands that failure to
2	abide by the terms and condition	s of this Consent Order may result in further legal action by the
3	Director. In the event of such le	gal action, Respondent may be responsible to reimburse the Director
4	for the cost incurred in pursuing	such action, including but not limited to, attorney fees.
5	I. Voluntarily Entered. It	is AGREED that Respondent has voluntarily entered into this
6	Consent Order, which is effective	e when signed by the Director's designee.
7	J. Completely Read, Unde	rstood, and Agreed. It is AGREED that Respondent has read this
8	Consent Order in its entirety and	fully understands and agrees to all of the same.
9	K. Authority to Execute O	rder. It is AGREED that the undersigned authorized representatives
10	have represented and warranted	that they have the full power and right to execute this Consent Order
11	on behalf of Respondent.	
12	P. Counterparts. This Cor	sent Order may be executed by the Respondent in any number of
	counterparts, including by facsing	nile or e-mail of a .pdf or similar file, each of which shall be deemed
13	to be an original, but all of which	n, taken together, shall constitute one and the same Consent Order.
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15	RESPONDENT:	
16	Logan Finance Corporation	
17	By:	
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19	/s/ M: 1 - 1 V 1 V 1	1/11/2022
20	Michael Yong Lee President	Date
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22	/s/	1/13/2022
23	John Jerry Kalas Chief Compliance Officer	Date
24	& General Counsel	
∠ '1	CONSENT ORDER C-21-3250-22-CO01 LOGAN FINANCE CORPORATION	4 DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW
		PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703
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2	DO NOT WRITE BELOW THIS LINE
	THIS ORDER ENTERED THIS <u>2nd</u> DAY OF <u>February</u> , 2022.
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5	/s/
6	LUCINDA FAZIO, Director Division of Consumer Services Department of
7	Financial Institutions
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9	Presented by:
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11	KRISTINA M. SHENEFELT
12	Financial Legal Examiner
13	Approved by:
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15	/s/
16	JACK McCLELLAN Enforcement Chief
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18	CONSENT ORDER
19	C-21-3250-22-C001 LOGAN FINANCE CORPORATION
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24	5 DEPARTMENT OF FINANCIAL INSTITUTION