# Terms Completed

### **ORDER SUMMARY – Case Number:** C-20-3039

Names:	Secure Lendin	g Incorporated, Meh	edi Hassan	
Order Number:	C-20-3039-21-	-CO02		
Effective Date:				
License Number:	1236405, 158856			
Or NMLS Identifier [U/L]				
License Effect:	N/A			
<b>X</b> Y / A <b>Y Y</b> Y / <b>H</b>				
Not Apply Until:	N/A			
Not Eligible Until:	N/A			
Prohibition/Ban Until:	N/A			
Investigation Costs	\$ 2,500		Paid	Date
investigation costs	\$ 2,500		$\square$ Y $\square$ N	Duite
Fine	\$ 25,000		Paid	Date
			$\square Y \square N$	
Assessment(s)	\$	Due	Paid	Date
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Restitution	\$	Due	Paid $\square \mathbf{V} \square \mathbf{N}$	Date
			Y N	
Financial Literacy and	\$	Due	Paid	Date
Education				
Cost of Duogoaution	\$	Due	Daid	Data
Cost of Prosecution	Φ	Due	Paid Y N	Date
	No. of			
	Victims:			

1	STATE OF W		
2	DEPARTMENT OF FINANCIAL INSTITUTIONS DIVISION OF CONSUMER SERVICES		
3	IN THE MATTER OF DETERMINING: Whether there has been a violation of the	No.: C-20-3039-21-CO02	
4	Mortgage Broker Practices Act of Washington by:	CONSENT ORDER	
5	SECURE LENDING, INC., NMLS # 1236405, and		
6	MEHEDI HASSAN, President and Owner, NMLS # 158856,		
7	Respondents.		
8			

COMES NOW the Director of the Department of Financial Institutions (Director), through 9 his designee Lucinda Fazio, Division of Consumer Services Director, Secure Lending, Inc. 10 (Respondent Secure), and Mehedi Hassan (Respondent Hassan), President and Owner of Respondent 11 Secure; and finding that the issues raised in the above-captioned matter may be economically and 12 efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to 13 chapter 19.146 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the 14 15

Administrative Procedure Act, based on the following:

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#### **AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-20-3039-21-SC01 (Statement of Charges), entered February 16, 2021 (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges.

CONSENT ORDER C-20-3039-21-CO02 SECURE LENDING, INC.; MEHEDI HASSAN

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Based upon 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 Respondents have been informed of the right to a hearing before an administrative law judge, and hereby waive their right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondents, by their signatures and the signatures of their representatives below, withdraw their appeal to the Office of Administrative Hearings.

9 C. No Admission of Liability. The parties intend this Consent Order to fully resolve the
10 Statement of Charges and agree that Respondents do not admit to any wrongdoing by its entry.

D. Fine. It is AGREED that Respondents shall pay a fine to the Department in the amount of
\$25,000.

E. Investigation Fee. It is AGREED that Respondents shall pay an investigation fee to the Department in the amount of \$2,500.

**F. Payment of Fine and Investigation Fee**. It is AGREED that upon entry of this Consent Order Respondents shall pay half of the total amount due in the form of a cashier's check made payable to the "Washington State Treasurer" in the amount of \$13,750. It is further AGREED that within six months of entry of this Consent Order Respondents shall pay the remaining half of the total amount due in the form of a cashier's check made payable to the "Washington State Treasurer" in the amount of \$13,750.

**G. Records Retention.** It is AGREED that Respondent Secure, 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 Secure's mortgage broker

business, and the name, address and telephone number of the individual responsible for maintenance
 of such records in compliance with the Act.

**H. Authority to Execute Order**. It is AGREED that the undersigned have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

I. Non-Compliance with Order. It is AGREED that Respondents understand that failure to abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In the event of such legal action, Respondents may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

J. Voluntarily Entered. It is AGREED that Respondents have voluntarily entered into this
Consent Order, which is effective when signed by the Director's designee.

**K. Completely Read, Understood, and Agreed**. It is AGREED that Respondents have read this Consent Order in its entirety and fully understand and agree to all of the same.

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16	<b>RESPONDENTS:</b>	
17	SECURE LENDING, INC. By:	
18	<u>/s/</u>	<u>11/18/2021</u>
	MEHEDI HASSAN	Date
19	President and Owner	
20		
	/s/	11/18/2021
21	MEHEDI HASSAN	Date
21	Individually	Dute
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22		
23		DO NOT WRITE BELOW THIS LINE
24	CONSENT ORDER	3 DEPARTMENT OF FINANCIAL INSTITUTIONS
	C-20-3039-21-CO02	Division of Consumer Services
	SECURE LENDING, INC.; MEHEDI HASSAN	150 Israel Rd SW PO Box 41200
		Olympia, WA 98504-1200
		(360) 902-8703

1	THIS ORDER ENTE	RED THIS <u>3rd</u> DAY OF January, <del>2021</del> . 2022
2		
3		<u>/s/</u>
4		Lucinda Fazio, Director Division of Consumer Services
5		Department of Financial Institutions
6	Presented by:	
7		
8	KENNETH J. SUGIMOTO	
9	Financial Legal Examiner Supervisor	
10	Approved by:	
11		
12	JACK MCCLELLAN Enforcement Chief	
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24	CONSENT ORDER C-20-3039-21-CO02 SECURE LENDING, INC.; MEHEDI HASSAN	4 DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW PO Box 41200

STATE OF W DEPARTMENT OF FINA DIVISION OF CON	NCIAL INSTITUTIONS			
DIVISION OF CON	SUMER SERVICES			
IN THE MATTER OF DETERMINING	No. C-20-3039-21-SC01			
Whether there has been a violation of the				
Mortgage Broker Practices Act of Washington by:	STATEMENT OF CHARGES and			
SECURE LENDING, INC., NMLS # 1236405,	NOTICE OF INTENT TO ENTER AN ORDER TO REVOKE LICENSES,			
MEHEDI HASSAN, President and Owner,	PROHIBIT FROM INDUSTRY, IMPOSE			
NMLS # 158856, and	FINE, COLLECT INVESTIGATION FEE,			
JOHN MAJOREK, Designated Broker,	and RECOVER COSTS AND EXPENSES			
NMLS # 138352,				
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). 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 Charge and Notice of Intent to Enter an Order to Revoke Licenses, Prohibit from				
Industry, Impose Fine, Collect Investigation Fee, and Recover Costs and Expenses (Statement of				
Charges), the Director, through his designee, Division of Consumer Services Director Lucinda Fazio,				
institutes this proceeding and finds as follows:				
I. FACTUAL ALLEGATIONS				
1.1 Respondents.				
A. Secure Lending, Inc. (Responden	t Secure) was licensed by the Department of			
Financial Institutions of the State of Washington (Department) to conduct business as a mortgage				
broker on or about March 17, 2015. As of the date of this Statement of Charges, Respondent Secure				

23 has not renewed its license for 2021.

STATEMENT OF CHARGES C-20-3039-21-SC01 SECURE LENDING, INC. ET AL.

В. Mehedi Hassan (Respondent Hassan) is President and Owner of Respondent Secure. Respondent Hassan was licensed by the Department to conduct business as a loan originator on or 3 about July 10, 2015, and continues to be licensed to date.

C. John Majorek (Respondent Majorek) was named as Designated Broker of 4 5 Respondent Secure on or about March 17, 2015. On or about October 4, 2018, Respondent Majorek 6 ceased to be Designated Broker of Respondent Secure. On or about October 16, 2019, Respondent 7 Majorek was again named as Designated Broker of Respondent Secure and on or about September 8 27, 2020, was removed from that designation. Respondent Majorek was licensed by the Department 9 to conduct business as a loan originator on or about February 3, 2009, and continues to be licensed to 10 date.

1.2 Examination. Between July 21, 2020, and August 26, 2020, the Department conducted an 12 examination of Respondent Secure's business practices for the period of September 1, 2017, through 13 June 30, 2020. The Department determined that Respondents violated the Act and related rules as 14 described below.

15 1.3 Prohibited Acts. Between March 17, 2015, and June 30, 2020, Respondents made or funded 16 at least three residential mortgage loans.

1.4 Designated Broker. Between October 4, 2018, and October 16, 2019, and again from September 27, 2020, to December 31, 2020, Respondents Secure and Hassan operated without a Designated Broker.

20 1.5 Inaccurate or Incomplete Reports. Respondents failed to file accurate and complete reports 21 to the Department for the third quarter of 2017; the fourth quarter of 2018; and the first, third, and 22 fourth quarters of 2019.

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1.6 Mortgage Loan Originator Compensation. On at least four occasions between September
 1, 2017, and June 30, 2020, Respondents made payments to loan originators based on the terms of a
 transaction.

4 **1.7** Anti-Money Laundering Program. Respondents failed to develop and implement a
5 compliant anti-money laundering program.

6 **1.8 Identity Theft Prevention Program.** Respondents failed to develop and implement a
7 compliant identity theft prevention program.

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

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

**2.1 Responsibility for Conduct of Loan Originators**. Pursuant to RCW 19.146.245, a licensed
 mortgage broker is liable for any conduct violating the Act by the designated broker, a loan
 originator, or other licensed mortgage broker while employed or engaged by the licensed mortgage
 broker.

15 2.2 Responsibility of Designated Broker. Pursuant to RCW 19.146.200(3), every licensed mortgage broker must at all times have a designated broker responsible for all activities of the 16 17 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or 18 owner who has supervisory authority over a mortgage broker is responsible for a licensee's, 19 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or 20 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows the conduct; or the designated broker, principal, or owner who has supervisory authority over the 21 22 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known 23 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take

24 reasonable remedial action. STATEMENT OF CHARGES C-20-3039-21-SC01 SECURE LENDING, INC. ET AL. 2.3 Prohibited Acts. Based on the Factual Allegations set forth in Section I above, Respondents
 are in apparent violation of RCW 19.146.0201(2) and (18) for engaging in an unfair or deceptive
 practice toward any person and making a residential mortgage loan by means other than table
 funding.

5 2.4 Failure to Operate with a Designated Broker. Based on the Factual Allegations set forth in
6 Section I above, Respondents are in apparent violation of RCW 19.146.200 for failing to operate with
7 a Designated Broker.

8 2.5 Failure to File Accurate and Complete Reports. Based on the Factual Allegations set forth
9 in Section I above, Respondents are in apparent violation of RCW 19.146.390 for failing to file
10 accurate and complete reports to the Department.

11 2.6 Unlawful MLO Compensation. Based on the Factual Allegations set forth in Section I
12 above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1026.36(d)(1)(i)
13 of the Truth in Lending Act for compensating MLOs based upon the terms of a transaction.

Failure to Develop Anti-Money Laundering Program. Based on the Factual Allegations set
forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 31 CFR
1029.210 for failing to develop a compliant AML program.

17 **2.8 Failure to Develop ID Theft Prevention Program**. Based on the Factual Allegations set
18 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 16 CFR
19 681.1(b)(3)(i) for failing to develop a compliant Identity Theft Prevention program.

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### **III. AUTHORITY TO IMPOSE SANCTIONS**

3.1 Authority to Revoke License. Pursuant to RCW 19.146.220(2), the Director may revoke
licenses for any violation of the Act.

23 **3.2** Authority to Prohibit from Industry. Pursuant to RCW 19.146.220(4), the Director may

24 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a STATEMENT OF CHARGES 4 DEPARTMENT OF FINANCIAL INSTITUTIONS C-20-3039-21-SC01 Division of Consumer Services SECURE LENDING, INC. ET AL. P.O. Box 41200 Olympia, WA 98504-1200

(360) 902-8703

1 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker or any person subject to licensing under the Act for any violation of the Act.

3.3 Authority to Impose Fine. Pursuant to RCW 19.146.220(2), the Director may impose fines against a licensee, employees, independent contractors, agents of licensees, or other persons subject to the Act for any violation of the Act.

3.4 Authority to Collect Investigation Fee. Pursuant to RCW 19.146.228(2), WAC 208-660-

520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted to an investigation.

3.5 Authority to Recover Costs and Expenses. Pursuant to RCW 19.146.221(2), the Director may recover the state's costs and expenses for prosecuting violations of the Act.

#### IV. NOTICE OF INTENT TO ENTER ORDER

Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that: 4.1 Respondent Secure Lending Inc.'s license to conduct the business of a mortgage broker be revoked.

- 4.2 Respondent Mehedi Hassan's license to conduct the business of a loan originator be revoked.
- 4.3 Respondent John Majorek's license to conduct the business of a loan originator be revoked.
- 4.4 Respondent Secure Lending, Inc. be prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.
- 4.5 Respondent Mehedi Hassan be prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

1	4.6	Respondent John Majorek be prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for		
2		a period of five years.	iker subjec	t to needsure by the Director, in any manner, for
3	4.7	-	-	ehedi Hassan, and John Majorek jointly and f this Statement of Charges, the fine totals
4		\$50,000.		
5 6	4.8	-	ion fee. As	ehedi Hassan, and John Majorek jointly and s of the date of this Statement of Charges, the
7	4.9	-		abadi Hassan, and John Majorak jointly and
8	<b>.</b> , <i>y</i>	Respondents Secure Lending, Inc., Mehedi Hassan, and John Majorek jointly and severally pay the Department's costs and expenses for prosecuting violations of the Act in an amount to be determined at hearing or by declaration with supporting documentation in event of default by Respondents.		
9				-
10				ND PROCEDURE
11	This S	tatement of Charges is enter	ed pursuar	t to the provisions of RCW 19.146.220, RCW
12	19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter			
13	34.05 RCW (the Administrative Procedure Act). Respondents may make a written request for a			
14	hearing as set forth in the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE HEARING AND			
15	TO DEFEND accompanying this Statement of Charges.			
16	Dated this 16th day of February, 2021.			
17				
18				/s/
19				Lucinda Fazio, Director Division of Consumer Services
20				Department of Financial Institutions
21	Presented by:			Approved by:
22				
23		. SUGIMOTO		<u>_/s/</u>
24	Financial Leg	al Examiner Supervisor		Enforcement Chief
	STATEMENT OF C-20-3039-21-SC( SECURE LENDIN	01	6	DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8703