

Terms Completed

ORDER SUMMARY – Case Number: C-10-172

Name(s): PMAC Lending Services, Inc.

Order Number: C-10-072-11-FO01

Effective Date: January 12, 2011

License Number: DFI 52731 [NMLS: 167441]

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: None

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

Investigation Costs	\$586.59	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$10,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<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**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

NO. C-10-072-11-FO01

PMAC LENDING SERVICES, INC.,

FINAL ORDER

Respondent.

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, pursuant to RCW 34.05.440(1). On December 1, 2010, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (Statement of Charges). 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 December 1, 2010, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for PMAC Lending Services, Inc. The Department served the Statement of Charges, cover letter dated December 1, 2010, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing for PMAC Lending Services, Inc. on Respondent on December 1, 2010, by First-Class mail and Federal Express overnight delivery. On December 2, 2010, the documents sent via Federal Express overnight delivery were delivered. The documents sent via First-Class mail were not returned to the Department by the United States Postal Service as undeliverable.

1 Respondent did not request an adjudicative hearing within 20 calendar days after the
2 Department served it with the Notice of Opportunity to Defend and Opportunity for Hearing, as
3 provided for 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 Statement of Charges, cover letter dated December 1, 2010,
6 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative
7 Hearing for PMAC Lending Services, Inc., with documentation of service.

8 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
9 Director's designee hereby adopts the Statement of Charges, which is attached hereto.
10

11 II. FINAL ORDER

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

14 A. IT IS HEREBY ORDERED, that:

- 15 1. Respondent PMAC Lending Services, Inc. pay a fine of \$10,000; and
- 16 2. Respondent PMAC Lending Services, Inc. shall pay an investigation fee of \$586.59.

17 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
18 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
19 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
20 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
21 Washington 98504-1200, within ten days of service of the Final Order upon Respondent. The Petition
22 for Reconsideration shall not stay the effectiveness of this order nor is a Petition for Reconsideration a
23 prerequisite for seeking judicial review in this matter.
24
25

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

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

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

10 E. Non-compliance with Order. If you do not comply with the terms of this order
11 within 30 days of service, the Department may seek its enforcement by the Office of Attorney General to
12 include the collection of the fine and fee imposed herein.

13 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
14 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
15 attached hereto.
16

17 DATED this 12th day of January, 2011.

18 STATE OF WASHINGTON
19 DEPARTMENT OF FINANCIAL INSTITUTIONS

20
21 
22 DEBORAH BORTNER
23 DIRECTOR
24 DIVISION OF CONSUMER SERVICES
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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
CONSUMER SERVICES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

PMAC LENDING SERVICES, INC.,

Respondent.

NO. C-10-072-10-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO IMPOSE FINE AND
COLLECT INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to RCW 31.04.145, 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. PMAC Lending Services, Inc. (Respondent) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a Consumer Loan company on March 17, 2010, and continues to be licensed to date. Respondent is licensed to conduct business as a Consumer Loan company from one location at 15325 Fairfield Ranch Road, Suite 200, Chino Hills, California.

1.2 Unlicensed Activity. On or about January 8, 2010, Respondent contacted the Department concerning Respondent's pending Consumer Loan license and disclosed that Respondent had been making loans in Washington prior to its application. Upon the Department's inquiry, Respondent disclosed that it had funded four Washington residential mortgage loans in 2008 and three Washington

1 residential mortgage loans in 2009 pursuant to Respondent's exemption under the Mortgage Broker
2 Practices Act, RCW 19.146.020(f)(1993), for "[a]ny mortgage broker approved and subject to auditing
3 by the federal national mortgage association or the federal home loan mortgage corporation." Those
4 exemptions, however, were invalidated by the Washington Legislature effective June 1, 2008, and
5 were not in effect at the time of the loans in question.

6 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the
7 Act by Respondent continues to date.

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

9 **2.1 Requirement to Obtain a License.** Based on the Factual Allegations set forth in Section I
10 above, Respondent is in apparent violation of RCW 31.04.035, WAC 208-620-050(1995), and WAC
11 208-620-230(2008) for making secured or unsecured loans in Washington without first having
12 obtained a license from the Department.

13 **III. AUTHORITY TO IMPOSE SANCTIONS**

14 **3.1 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
15 up to one hundred dollars per day upon the licensee, its employee, or any other person subject to the
16 Act for any violation of the Act or failure to comply with any order or subpoena issued by the Director
17 under the Act.

18 **3.2 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
19 590, every licensee investigated by the Director or the Director's designee shall pay for the cost of the
20 investigation, calculated at the rate of \$69.01 per hour.

21 **IV. NOTICE OF INTENTION TO ENTER ORDER**

22 Respondent's violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC, as
23 set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose

1 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and RCW
2 31.04.205. Therefore, it is the Director's intention to ORDER that:

- 3 4.1 Respondent PMAC Lending Services, Inc. pay a fine which as of the date of these charges
4 totals \$10,000; and
- 5 4.2 Respondent PMAC Lending Services, Inc. pay an investigation fee which as of the date of
6 these charges totals \$586.59 calculated at \$69.01 per hour for 8.5 hours to date.

6 **V. AUTHORITY AND PROCEDURE**

7 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and
8 Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW
9 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of
10 chapter 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for
11 a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
12 HEARING accompanying this Statement of Charges.

13 Dated this 18th December²⁰¹⁰ day of November, 2010.



15 DEBORAH BORTNER
16 Director
17 Division of Consumer Services
18 Department of Financial Institutions

17 Presented by:



18 STEVEN C. SHERMAN
19 Financial Legal Examiner

20 Approved by:



22 JAMES R. BRUSSELBACK
23 Enforcement Chief

