

ORDER SUMMARY – Case Number: C-14-1612

Name(s): Uncle Warbucks

Order Number: C-14-1612-16-FO01

Effective Date: March 16, 2016

License Number: DFI: U/L NMLS ID: #1483228

Or NMLS Identifier [U/L]

License Effect: N/A

Not Apply Until: March 16, 2021

Not Eligible Until: March 16, 2021

Prohibition/Ban Until: March 16, 2021

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$3,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$1,135	Due	Paid <input type="checkbox"/> Y <input checked="" 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:		1		

Comments: _____

1 B. Record Presented. The record presented to the Director's designee for his review and
2 for entry of a final decision included the Statement of Charges, cover letter dated November 25,
3 2015, Notice of Opportunity for Hearing, and blank Application for Adjudicative Hearing for
4 Respondent, with documentation of service.

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

7 II. FINAL ORDER

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

10 A. IT IS HEREBY ORDERED, That:

- 11 1. Respondent cease and desist from engaging in the business of providing consumer
12 loans to Washington residents.
- 13 2. Respondent is prohibited from participation in the conduct of the affairs of any
14 consumer loan company subject to licensure by the Director, in any manner, for a
15 period of five (5) years.
- 16 3. Respondent pay a fine of \$3,000.
- 17 4. Respondent pay \$1,135 in restitution to the borrower identified in Paragraph 1.2 of
18 the Statement of Charges and repay all other Washington State borrowers who
19 obtained consumer loans from Respondent Uncle Warbucks for any interest or fees
20 collected on the consumer loans originated without a license.

21 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
22 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
23 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
24 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
Reconsideration a prerequisite for seeking judicial review in this matter.

1 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the
2 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a
3 written 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 to
5 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
9 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

10 E. Non-compliance with Order. If Respondent does not comply with the terms of this
11 order, **including payment of any amounts owed within 30 days of receipt of this order**, the
12 Department may seek its enforcement by the Office of the Attorney General to include the collection
13 of the fines and restitution imposed herein. The Department also may assign the amounts owed to a
14 collection agency for collection.

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

18 DATED this 16th day of March 2016.



19 STATE OF WASHINGTON
20 DEPARTMENT OF FINANCIAL INSTITUTIONS



21 CHARLES E. CLARK
22 Director
23 Division of Consumer Services
24

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:

UNCLE WARBUCKS,

Respondent.

No. C-14-1612-15-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO CEASE AND DESIST,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
RECOVER COSTS AND EXPENSES

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 Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondent. Respondent Uncle Warbucks (Respondent Warbucks) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a consumer loan company.

1.2 Unlicensed Activity. For at least the period from January 1, 2014, through December 31, 2014, Respondent engaged in the business by providing consumer loans to at least one consumer physically located in Washington State without being licensed by the Department to provide consumer loans.

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

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

2 **2.1 Definition of Loan.** Pursuant to RCW 31.04.015(11) and WAC 208-620-010, a "Loan"
3 means a sum of money lent at interest or for a fee or other charge and includes both open-end and
4 closed-end loan transactions.

5 **2.2 Definition of Making a Loan.** Pursuant to RCW 31.04.015(13) and WAC 208-620-010,
6 "Making a Loan" means advancing, offering to advance, or making a commitment to advance funds
7 to a borrower for a loan.

8 **2.3 Requirement to Obtain and Maintain License in Accordance with the Act.** Based on the
9 Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW
10 31.04.035 and WAC 208-620-230 for engaging in the business of making secured or unsecured loans
11 of money, credit, or things in action, without first obtaining and maintaining a license in accordance
12 with the Act, or meeting an exemption from the Act under RCW 31.04.025. Pursuant to RCW
13 31.04.025(1), each loan made to a resident of the state of Washington by a licensee, or persons
14 subject to the Act, is subject to the authority and restrictions of the Act.

15 **2.4 Unfair or Deceptive Practice.** Based on the Factual Allegations set forth in Section I above,
16 Respondent is in apparent violation of RCW 31.04.027(2) for directly or indirectly engaging in any
17 unfair or deceptive practice toward any person.

18 **2.5 Obtaining Property by Fraud or Misrepresentation.** Based on the Factual Allegations set
19 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(3) for directly or
20 indirectly obtaining property by fraud or misrepresentation.

21 **III. AUTHORITY TO IMPOSE SANCTIONS**

22 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
23 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
24

1 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
2 violates any provision of the Act.

3 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
4 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
5 employee, or any other person subject to the Act for a violation of RCW 31.04.027 or failure to
6 obtain a license for activity that requires a license.

7 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
8 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
9 any other person subject to the Act for any violation of the Act.

10 **3.4 Authority to Order Refund or Restitution.** Pursuant to RCW 31.04.093(5), the Director may
11 issue an order directing a licensee, its employee or loan originator, or any other person subject to the
12 Act to make a refund or restitution to a borrower or other person who is damaged as a result of a
13 violation of the Act.

14 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
15 may recover the state's costs and expenses for prosecuting violations of the Act.

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

17 Respondent's violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
18 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
19 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and
20 RCW 31.04.205. Therefore, it is the Director's intention to ORDER that:

21 **4.1** Respondent Uncle Warbucks cease and desist engaging in the business of providing
22 consumer loans to Washington residents.

23 **4.2** Respondent Uncle Warbucks be prohibited from participation in the
24 conduct of the affairs of any consumer loan company subject to licensure by the
Director, in any manner, for a period of five years.

