

Terms Completed

ORDER SUMMARY – Case Number: C-07-308-08-FO01

Name(s): Dawayne Lonnell Rainwater

Order Number: C-07-308-08-FO01

Effective Date: July 28, 2008

License Number: n/a

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: Application denied.

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: December 28, 2013

Investigation Costs	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$0	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:		0		

Comments:

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NO. C-07-308-08-FO01

FINAL ORDER

Respondent.

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1 Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges. On
2 September 18, 2007, OAH issued a Notice of Assignment of Administrative Law Judge assigning ALJ
3 Barbara Boivin (ALJ Boivin) to preside over prehearing and hearing proceedings and issue an Initial
4 Decision. On September 18, 2007, ALJ Boivin issued a Notice of Prehearing Conference scheduling a
5 telephonic prehearing conference on October 23, 2007 at 8:00 a.m.

6 On October 23, 2007, all parties attended the telephonic prehearing conference. On October
7 25, 2007, ALJ Boivin issued an Order on Prehearing Conference scheduling a summary judgment
8 hearing on January 2, 2008. The hearing was rescheduled to January 15, 2008.

9 On January 15, 2008, all parties attended the hearing. On February 14, 2008, ALJ Boivin
10 issued an Initial Decision and Order on Summary Judgment (Initial Decision and Order). This Initial
11 Decision and Order found there were no material issues of fact and granted the summary judgment
12 motion pursuant to WAC 10-08-135. The Initial Decision and Order affirmed the denial of
13 Respondent's application for a loan originator license as well as the prohibition from participating in
14 the conduct of the affairs of any licensed mortgage broker through December 28, 2013.

15 On January 14, 2008, ALJ Boivin mailed the Initial Decision and Order to Respondent.

16 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent had twenty (20) days from the
17 date of service of the Initial Decision and Order to file a Petition for Review of the Initial Decision and
18 Order. Respondent did not file a Petition for Review during the statutory period.

19 B. Record Presented. The record presented to the Director for his review and for entry of
20 a final decision included the following:

- 21 1. Statement of Charges, cover letter dated August 10, 2007, and Notice of Opportunity
22 to Defend and Opportunity for Hearing, with documentation of service;
- 23 2. Application for Adjudicative Hearing for Dawayne Lonnell Rainwater;
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3. Request to OAH for Assignment of Administrative Law Judge;
4. Notice of Assignment of Administrative Law Judge dated September 18, 2007, with documentation of service;
5. Notice of Prehearing Conference dated September 18, 2007, with documentation of service;
6. Order on Prehearing Conference dated October 25, 2007, with documentation of service;
7. Order of Continuance of Oral Argument on the Motion dated January 4, 2008, with documentation of service;
8. Initial Decision and Order on Summary Judgment dated February 14, 2008, with documentation of service;

C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.461, the Director hereby adopts the Initial Decision and Order on Summary Judgment, which is attached hereto.

II. FINAL ORDER

Based upon the foregoing, and the Director having considered the record and being otherwise fully advised, NOW, THEREFORE:

A. IT IS HEREBY ORDERED, That:

1. Respondent Dawayne Lonnell Rainwater's application for a license to conduct the business of Loan Originator is denied; and
2. Respondent Dawayne Lonnell Rainwater is banned from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, through December 28, 2013.

B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150

1 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
2 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
3 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
4 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

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

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

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19 DATED this 28th day of July, 2008.



20 STATE OF WASHINGTON
21 DEPARTMENT OF FINANCIAL INSTITUTIONS

22 [Redacted Signature]
23 SCOTT JARVIS
24 DIRECTOR

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF INVESTIGATING
the Loan Originator License Application under the
Mortgage Broker Practices Act of Washington by:

DAWAYNE LONNELL RAINWATER,

Respondent.

NO. C-07-308-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO DENY LICENSE APPLICATION
AND PROHIBIT FROM INDUSTRY

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)¹. After having conducted an investigation pursuant to RCW 19.146.310, 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 Dawayne Lonnell Rainwater (Respondent Rainwater) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Hometown Lending Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about December 28, 2006. Respondent Rainwater originally filed his application under America One Finance, Inc., a mortgage broker under the Act, but later changed his affiliation to Hometown Lending Inc. in July 2007.

1.2 Prior Criminal Acts. On August 7, 2001, the Respondent was convicted of [REDACTED] pursuant to RCW 9A.28.020 and RCW 9A.60.020(1)(a) and (b), a gross misdemeanor, in the Superior Court of Washington for King County ([REDACTED]).

¹ RCW 19.146 (Amended 2006; Effective January 1, 2007)

1 **1.3 Background.** On November 14, 2000, the Respondent was charged, by information, with [REDACTED]
2 pursuant to RCW 9A.60.020(1) and (2), a class C felony in the Superior Court of Washington for King County
3 [REDACTED] On August 7, 2001, pursuant to a plea agreement, the charges were amended
4 to [REDACTED] RCW 9A.28.020 and RCW 9A.60.020(1)(a) and (b), a gross misdemeanor.
5 On August 28, 2001, Respondent Rainwater was granted an 18 month deferred sentence, which would have
6 resulted in the case being dismissed if certain conditions were met. Respondent Rainwater failed to meet the
7 sentence conditions and the deferred sentence was revoked on August 8, 2003, resulting in Respondent
8 Rainwater's conviction for [REDACTED]

9 **1.4 Responses to Application Questions.** The "Criminal Disclosure" section of the loan originator license
10 application consists of eight questions, and includes the following instruction:

11 "If the answer to any of the following is "YES", provide complete details of all events or proceedings."

12 Respondent Rainwater answered "no" to the following questions on the "Criminal Disclosure" section of his
13 loan originator license application:

- 14 • 2-Have you ever been charged with a felony?
- 15 • 5 – Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
16 domestic, foreign, or military court to misdemeanor involving: financial services or a financial
17 services-related business or any fraud, false statements or omissions, theft or any wrongful
18 taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to
19 commit any of these offenses?
- 20 • 6 – Have you ever been charged with a misdemeanor specified in 5?

21 Respondent Rainwater was obligated by statute to answer questions on the loan originator license application
22 truthfully and to provide the Department with complete details of all events or proceedings.

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

24 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
25 Respondent Rainwater fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c)

1 by having been convicted of a gross misdemeanor involving dishonesty or financial misconduct within seven
2 years of the filing of the present application.

3 **2.2 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent
4 Rainwater is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making
5 any false statement or willfully making any omission of material fact in connection with any application or any
6 information filed by a licensee in connection with any application, examination or investigation conducted by
7 the Department.

8 **2.3 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
9 forth in Section I above, Respondent Rainwater fails to meet the requirements of RCW 19.146.300(1) and (2)
10 and RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form
11 prescribed by the Director.

12 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
13 forth in Section I above, Respondent Rainwater fails to meet the requirements of RCW 19.146.310(1)(g) and
14 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the
15 confidence of the community and to warrant a belief that the business will be operated honestly and fairly
16 within the purposes of the Act.

17 **III. AUTHORITY TO IMPOSE SANCTIONS**

18 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
19 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the
20 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
21 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
22 of the denial.

23 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
24 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
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1 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
2 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

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

4 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
5 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
6 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.

7 Therefore, it is the Director's intention to ORDER that:

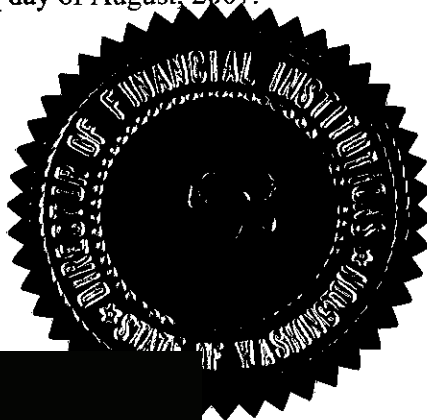
8 **4.1** Respondent Dawayne Lonnell Rainwater's application for a loan originator license be denied.

9 **4.2** Respondent Dawayne Lonnell Rainwater be prohibited from participation in the conduct of the affairs of
10 any mortgage broker subject to licensure by the Director, in any manner, through December 28, 2013.

11 **V. AUTHORITY AND PROCEDURE**

12 This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and
13 Prohibit from Industry (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220,
14 RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05
15 RCW (The Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in
16 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
17 Statement of Charges.

18 Dated this 14th day of August, 2007.



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23 Presented by:

24
25 WILLIAM J. HALSTEAD
Financial Legal Examiner

[Redacted Signature]
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

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Approved by:



FATIMA BATIE
Financial Legal Examiner Supervisor