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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:

NO. C-07-312-07-FO01

JOSEPH ALAN HACKER,

FINAL ORDER

Respondent.

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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 August 22, 2007, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and Prohibit from Industry (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 August 22, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing. The Department served the Statement of Charges, cover letter dated August 22, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent on August 24, 2007 by first class mail and Federal Express overnight delivery. On August 27, 2007, the documents sent via Federal Express overnight delivery were delivered to Respondent Hacker and signed for by M. Vegas. The documents sent via first class mail were not returned to the Department by the United States Postal Service.

1 Respondent did not request an adjudicative hearing within twenty calendar days after the
2 Department served him 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 August 22, 2007, Notice
6 of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing,
7 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.
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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 JOSEPH ALAN HACKER's application for a loan originator license is
16 denied; and
- 17 2. Respondent JOSEPH ALAN HACKER is banned from participation in the conduct of
18 the affairs of any mortgage broker subject to licensure by the Director, in any manner,
through December 29, 2013.

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

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

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

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

12 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
13 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
14 attached hereto.
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16 DATED this 1st day of October, 2007.



18 STATE OF WASHINGTON
19 DEPARTMENT OF FINANCIAL INSTITUTIONS

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24 DEBORAH BORTNER
25 DIRECTOR
DIVISION OF CONSUMER SERVICES

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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:

JOSEPH ALAN HACKER,

Respondent.

NO. C-07-312-07-SC01

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

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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:

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I. FACTUAL ALLEGATIONS

1.1 Respondent Joseph Alan Hacker (Respondent Hacker) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under A+ Mortgage, a mortgage broker licensed under the Act. The on-line application was received by the Department on or about December 29, 2006

1.2 Prior Criminal Acts. On or about April 22, 2004, Respondent Hacker pled guilty to Attempted Theft in the Second Degree in King County Superior Court, a Gross Misdemeanor pursuant to RCW 9A.28.020, RCW 9A.56.020(1)(a), and RCW 9A.56.040(1)(a).

1.3 Responses to Application Questions. The "Criminal Disclosure" section of the loan originator license application consists of eight questions, and includes the following instructions:

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

1 "If the answer to any of the following is "YES", provide complete details of all events or proceedings"
2 Respondent Hacker answered "No" to the following question on the "Criminal Disclosure" section of his loan
3 originator license application:

- 4 • 5-Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
5 domestic, foreign, or military court to any misdemeanor involving: financial services or a
6 financial services-related business or any fraud, false statements or omissions, theft or any
7 taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to
8 commit any of these offenses?

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

11 II. GROUNDS FOR ENTRY OF ORDER

12 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
13 Respondent Hacker fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by
14 having been convicted of a gross misdemeanor involving dishonesty or financial misconduct within seven years
15 of the filing of the present application.

16 **2.2 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent
17 Hacker is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making
18 any false statement or willfully making any omission of material fact in connection with any application or any
19 information filed by a licensee in connection with any application, examination or investigation conducted by
20 the Department.

21 **2.3 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
22 forth in Section I above, Respondent Hacker fails to meet the requirements of RCW 19.146.300(1) and (2) and
23 RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form
24 prescribed by the Director.
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1 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
2 forth in Section I above, Respondent Hacker fails to meet the requirements of RCW 19.146.310(1)(g) and
3 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the
4 confidence of the community and to warrant a belief that the business will be operated honestly and fairly
5 within the purposes of the Act.

6 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

12 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
13 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
14 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
15 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

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

17 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
18 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
19 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.
20 Therefore, it is the Director's intention to ORDER that:

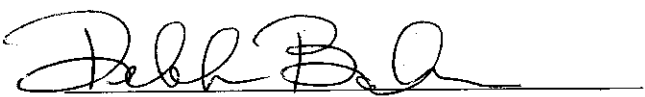
21 **4.1** Respondent Joseph Alan Hacker's application for a loan originator license be denied.

22 **4.2** Respondent Joseph Alan Hacker be prohibited from participation in the conduct of the affairs of any
23 mortgage broker subject to licensure by the Director, in any manner, through December 29, 2013.
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1 **V. AUTHORITY AND PROCEDURE**

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

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9 Dated this 22nd day of August, 2007.

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12 DEBORAH BORTNER
13 Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

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19 CHARLES E. WOODE
20 Financial Legal Examiner



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22 Approved by:

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25 FATIMA BATIE
Financial Legal Examiner Supervisor

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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:

JOSEPH ALAN HACKER,
Respondent.

C-07-312-07-SC01

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

THE STATE OF WASHINGTON TO:

JOSEPH ALAN HACKER

YOU ARE HEREBY NOTIFIED that a STATEMENT OF CHARGES has been filed by the Department of Financial Institutions, a true and correct copy of which is attached and made a part hereof.

YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the Washington State Department of Financial Institutions on the Statement of Charges. Service of this notice is deemed complete upon deposit in the United States mail. YOUR APPLICATION MUST BE RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS FROM THE DATE YOU RECEIVED THIS NOTICE. If you demand a hearing, you will be notified of the time and place for the hearing at least seven (7) days in advance of the hearing date.

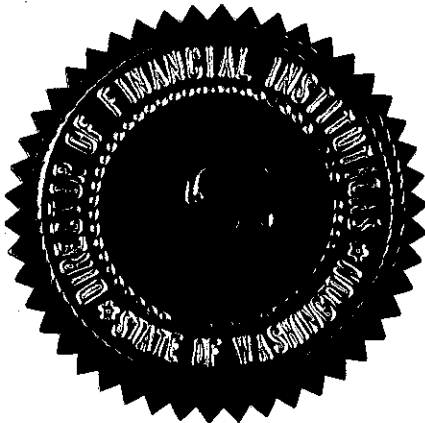
At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as informal as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05 RCW). The hearing will be recorded. The primary concern will be getting to the truth of the matter insofar as the Statement of Charges is concerned. Technical rules of evidence will not be binding at the hearing except for the rules of privilege recognized by law. You have the right to present evidence and witnesses in your own behalf, and to cross-examine those witnesses presented in support of the Statement of Charges. You may require the attendance of witnesses by subpoena. If you are limited English-speaking or hearing impaired, you have the right to have an interpreter appointed at no cost to you, as discussed below.

1 INTERPRETER AVAILABILITY. If you or a witness for you is a person who, because of non-English-
2 speaking cultural background, cannot readily speak or understand the English language, or if you or a witness for
3 you is a person who, because of a hearing impairment or speech defect, cannot readily understand or communicate
4 in spoken language, including persons who are deaf, deaf and blind, or hard of hearing, AND YOU NEED AN
5 INTERPRETER, then a qualified interpreter will be appointed at no cost to you or to the witness. You may request
6 the appointment of a qualified interpreter by indicating your request on the attached Application for Adjudicative
7 Hearing form.

8 YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not RECEIVE the
9 Application for Adjudicative Hearing form within twenty (20) days from the date you received this notice, this will
10 constitute a waiver of your right to a hearing and the Director will find that you do not contest the allegations of the
11 Statement of Charges. Upon such a finding by the Director a final order will be immediately entered disposing of
12 this matter as described in the Statement of Charges. If you desire a hearing in this matter, please return the
13 attached Application for Adjudicative Hearing to:

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15 Department of Financial Institutions
16 Division of Consumer Services
17 Attn: Fatima Batie
18 PO Box 41200
19 Olympia, Washington 98504-1200

20 Dated this 22nd day of August 2007.



Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions