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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:

JASON JOHN ELDRIDGE,
Respondent.

NO. C-07-359-07-FO01

FINAL ORDER

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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 September 24, 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 September 25, 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 September 25, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent on September 25, 2007 by first class mail and Federal Express overnight delivery. On September 27, 2007, 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.

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 September 25, 2007,
6 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative
7 Hearing, 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 Jason John Eldridge's application for a loan originator license is denied;
16 and
17 2. Respondent Jason John Eldridge is banned from participation in the conduct of the
18 affairs of any mortgage broker subject to licensure by the Director, in any manner,
through June 19, 2014.

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
24

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.

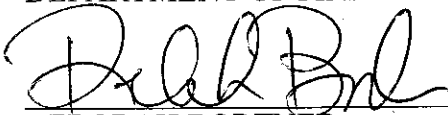
9 D. Judicial Review. Respondent has the right to petition the superior court for judicial
10 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing
11 a Petition for Judicial Review, see RCW 34.05.510 and sections following.

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 27th day of October, 2007.



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18 STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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20 DEBORAH BORTNER
21 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:

JASON JOHN ELDRIDGE,

Respondent.

NO. C-07-359-07-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:

I. FACTUAL ALLEGATIONS

1.1 Respondent JASON JOHN ELDRIDGE (Respondent Eldridge) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Loan Network, LLC, a mortgage broker licensed under the Act. The on-line application was received by the Department on or about June 19, 2007.

1.2 Prior Criminal Acts. On April 15, 2004, Respondent Eldridge was charged with the crime of Theft in the Second Degree, a felony, pursuant to RCW 9A.56.040(1)(a) and 9A.56.020(1)(a) in King County Superior Court. On July 1, 2004, Respondent Eldridge plead guilty to Attempted Theft in the Second Degree, a gross misdemeanor, pursuant to RCW 9A.56.040(1)(a), 9A.56.020(1)(a) and 9A.28.020.

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

1 **1.3 Responses to Application Questions.** The “Criminal Disclosure” section of the loan originator license
2 application consists of eight questions, and includes the following instruction:

3 “If the answer to any of the following is “YES”, provide complete details of all events or proceedings”

4 Respondent Eldridge answered “no” to the following questions on the “Criminal Disclosure” section of his loan
5 originator license application:

- 6 • 2-Have you ever been charged with any felony?
- 7 • 5-Have you ever been convicted of or plead guilty or nolo contendere (“no contest”) in a
8 domestic, foreign, or military court to misdemeanor involving: financial services or a
9 financial services-related business or any fraud, false statements or omissions, theft or any
10 wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a
11 conspiracy to commit any of these offenses?

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

14 II. GROUNDS FOR ENTRY OF ORDER

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

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

24 **2.3 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
25 forth in Section I above, Respondent Eldridge fails to meet the requirements of RCW 19.146.300(1) and (2) and

1 RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form
2 prescribed by the Director.

3 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
4 forth in Section I above, Respondent Eldridge fails to meet the requirements of RCW 19.146.310(1)(g) and
5 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the
6 confidence of the community and to warrant a belief that the business will be operated honestly and fairly
7 within the purposes of the Act.

8 III. AUTHORITY TO IMPOSE SANCTIONS

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

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

18 IV. NOTICE OF INTENTION TO ENTER ORDER

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

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

23 **4.1** Respondent JASON JOHN ELDRIDGE's application for a loan originator license be denied.

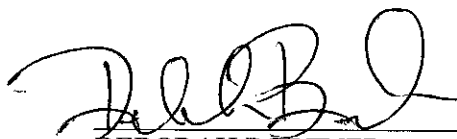
24 **4.2** Respondent JASON JOHN ELDRIDGE be prohibited from participation in the conduct of the affairs of
25 any mortgage broker subject to licensure by the Director, in any manner, through June 19, 2014.

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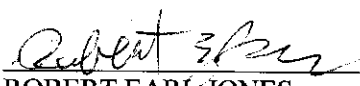
V. AUTHORITY AND PROCEDURE

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

Dated this 24th day of September, 2007.

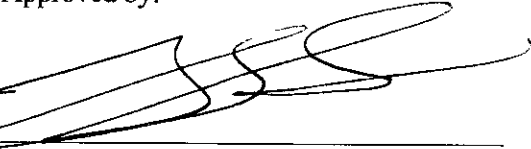

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


ROBERT EARLE JONES
Financial Legal Examiner



Approved by:


FATIMA BATIE
Financial Legal Examiner Supervisor