

Terms Completed

ORDER SUMMARY – Case Number: C-07-383

Name(s): James Arthur Laws

Order Number: C-07-383-08-CO02

Effective Date: September 28, 2007

License Number: DFI: 42406 [NMLS: 52861]

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)

License Effect: Surrendered
If applicable, you must specifically note the ending dates of terms.

Not Apply Until: January 1, 2008

Not Eligible Until: _____

Prohibition/Ban Until: January 1, 2008

Investigation Costs	\$283.20	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 12.6.07
Fine	\$	Due	Paid <input 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: _____

1
2
3
4
5
6
7
8

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

JAMES ARTHUR LAWS,
Loan Originator,

Respondent.

NO. C-07-383-08-CO02

AMENDED CONSENT ORDER

9
10
11
12
13
14

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and James Arthur Laws (hereinafter Respondent Laws), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Amended Consent Order. This Amended Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

15
16
17
18
19
20
21
22

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-07-383-01-SC01 (Statement of Charges), entered October 1, 2007, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Amended Consent Order and further agrees that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Amended Consent Order. The parties intend this Amended Consent Order to fully resolve the Statement of Charges.

23
24
25

Based upon the foregoing:

A. Jurisdiction. It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

AMENDED CONSENT ORDER

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing
2 before an administrative law judge, and that he has waived his right to a hearing and any and all administrative and
3 judicial review of the issues raised in this matter, or of the resolution reached herein.

4 **C. Supersedes Other Amended Order.** This Amended Consent Order takes the place of and
5 supersedes the Consent Order (C-07-383-07-CO01) entered on December 17, 2007.

6 **D. License Surrender.** It is AGREED that the Respondent surrendered his loan originator license on
7 September 28, 2007.

8 **E. No Longer Operating as a Loan Originator.** It is AGREED that Respondent represents that he
9 stopped operating as a loan originator requiring a license as of September 28, 2007, and is not operating as a
10 loan originator requiring a license. Further, Respondent UNDERSTANDS and AGREES:

- 11 1. Any loans originated by Respondent since September 28, 2007, within the State of
12 Washington, will be in violation of the Mortgage Brokers Practices Act, RCW 19.146,
13 unless Respondent is otherwise exempt.
- 14 2. Respondent understands and agrees that he will not be eligible for a loan originator
15 license until January 1, 2008. The Respondent may apply for a loan originator license
16 which will be considered pursuant to the laws and rules of the Act.

17
18 **F. Investigation Fee.** It is AGREED that Respondent paid to the Department an investigation fee of
19 \$283.20, in the form of a cashier's check made payable to the "Washington State Treasurer," on December 6,
20 2007.

21 **G. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide
22 by the terms and conditions of this Amended Consent Order may result in further legal action by the Director.
23 In the event of such legal action, Respondent may be responsible to reimburse the Director for the cost incurred
24 in pursuing such action, including but not limited to, attorney fees.

1 **H. Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily entered into
2 this Amended Consent Order, which is effective when signed by the Director's designee.

3 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this
4 Amended Consent Order in its entirety and fully understands and agrees to all of the same.

5 **RESPONDENT:**

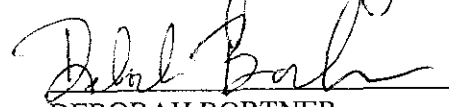
6 By:

7 
James Arthur Laws

1-18/08
Date

8 DO NOT WRITE BELOW THIS LINE


9 THIS ORDER ENTERED THIS 23rd DAY OF January, 2008.

10 
11 DEBORAH BORTNER
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

16 
17 WILLIAM J. HALSTEAD
18 Financial Legal Examiner

19 Approved by:

20 
21 JAMES R. BRUSSELBACK
22 Enforcement Chief



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

NO. C-07-383-07-CO01

JAMES ARTHUR LAWS,
Loan Originator,

CONSENT ORDER

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and James Arthur Laws (hereinafter Respondent Laws), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-07-383-01-SC01 (Statement of Charges), entered October 1, 2007, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges.

Based upon the foregoing:

A. Jurisdiction. It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

CONSENT ORDER

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing
2 before an administrative law judge, and that he has waived his right to a hearing and any and all administrative and
3 judicial review of the issues raised in this matter, or of the resolution reached herein.

4 **C. License Revocation.** It is AGREED that the Respondent's loan originator license is revoked upon
5 entry of this Consent Order.

6 **D. No Longer Operating as a Loan Originator.** It is AGREED that Respondent represents that he
7 stopped operating as a loan originator requiring a license as of September 28, 2007, and is not operating as a
8 loan originator requiring a license. Further, Respondent UNDERSTANDS and AGREES:

- 9 1. Any loans originated by Respondent since September 28, 2007, within the State of
10 Washington, will be in violation of the Mortgage Brokers Practices Act, RCW 19.146,
11 unless Respondent is otherwise exempt.
- 12 2. Respondent must obtain the required license from the Department, unless otherwise
13 exempt, before he can operate as a loan originator.
- 14 3. Respondent understands and agrees that he will not be eligible to be issued a loan
15 originator license until January 1, 2008 and will not file a loan originator application
16 until after January 1, 2008.

17
18 **E. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an investigation fee
19 of \$283.20, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this
20 Consent Order.

21 **F. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide
22 by the terms and conditions of this Consent Order may result in further legal action by the Director. In the
23 event of such legal action, Respondent may be responsible to reimburse the Director for the cost incurred in
24 pursuing such action, including but not limited to, attorney fees.

1 **G. Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily entered into
2 this Consent Order, which is effective when signed by the Director's designee.

3 **H. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Consent
4 Order in its entirety and fully understands and agrees to all of the same.

5 **RESPONDENT:**

6 By:

7 James Arthur Laws

12/4/07
Date

8 DO NOT WRITE BELOW THIS LINE

9 THIS ORDER ENTERED THIS 7th DAY OF December 2007.

11 Deborah Bortner
12 DEBORAH BORTNER

13 Director

14 Division of Consumer Services

15 Department of Financial Institutions

16 Presented by:

17 William X. Halstead
18 WILLIAM X. HALSTEAD
19 Financial Legal Examiner

20 Approved by:

21 James R. Brusselback
22 JAMES R. BRUSSELBACK
23 Enforcement Chief



1
2
3
4
5
6
7
8
9

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

JAMES ARTHUR LAWS,
Loan Originator,

Respondent.

NO. C-07-383-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE ,
COLLECT INVESTIGATION FEE AND
PROHIBIT FROM INDUSTRY

10
11
12
13
14
15
16

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 RCW 19.146.235, and based upon the facts available as of date of this document, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

17
18
19
20
21

I. FACTUAL ALLEGATIONS

1.1 Respondent James Arthur Laws (Respondent Laws) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a loan originator on July 6, 2007, and continues to be licensed to date. Respondent Laws is licensed to conduct the business of a Loan Originator for Advent Mortgage, LLC, a consumer lender licensed under the Consumer Loan Act.

1.2 Prior Criminal Acts. The Department investigated Respondent Law's criminal history and determined that on May 15, 2000, Respondent Laws was convicted in the United States District Court Western District of Kentucky of the following crimes:

22
23
24
25

¹ RCW 19.146 (2007)

1 A. Conspiracy to Possess with Intent to Distribute Cocaine, a Schedule II Controlled Substance, a
2 felony, in violation of 21 U.S.C. 846 and,

3 B. Possess with Intent to Distribute Cocaine, a Schedule II Controlled Substance, a felony, in violation
4 of 21 U.S.C. 841(a)(1).

5 **1.3 False Statements and Omission of Material Information on License Application.** Respondent
6 Laws submitted an application to the Department for a loan originator license, which was received by the
7 Department on or about March 20, 2007. The "Criminal Disclosure" section of the loan originator license
8 application consists of eight questions, each answered by selecting either "Yes" or "No." Respondent Laws
9 answered "No" to the following questions on the "Criminal Disclosure" section of his loan originator license
10 application:

- 11 • 1-Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
12 domestic, foreign, or military court to any felony?
- 13 • 2-Have you ever been charged with any felony?

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

16
17 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
18 Respondent continues to date.

19 II. GROUNDS FOR ENTRY OF ORDER

20 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
21 on the date Respondent Laws submitted his loan originator license application he failed to meet the
22 requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by having been convicted of a felony
23 within seven years of the filing of the present application.

24 **2.2 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
25 forth in Section I above, on the date Respondent Laws submitted his loan originator license application he failed

1 to meet the requirements of RCW 19.146.300(1) and (2) and RCW 19.146.310(1)(b) by failing to provide an
2 accurate and complete license application in the form prescribed by the Director.

3 **2.3 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
4 forth in Section I above, on the date Respondent Laws submitted his loan originator license application he failed
5 to meet the requirements of RCW 19.146.310(1)(g) and WAC 208-660-350(2)(a) by failing to demonstrate
6 character and general fitness such as to command the confidence of the community and to warrant a belief that
7 the business will be operated honestly and fairly within the purposes of the Act.

8 **2.4 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, on the date
9 Respondent Laws submitted his loan originator license application he was in apparent violation of RCW
10 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making any false statement or willfully making
11 any omission of material fact in connection with any application or any information filed by a licensee in
12 connection with any application, examination or investigation conducted by the Department.

13 III. AUTHORITY TO IMPOSE SANCTIONS

14 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2)(b), the Director may revoke a license
15 for false statements or omission of material information on the application that, if known, would have allowed
16 the director to deny the application for the original license.

17 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a) and (b), the Director
18 may issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker, any
19 loan originator for any violation of RCW 19.146.0201(1) through (9) or false statements or omission of material
20 information on the application that, if known, would have allowed the Director to deny the application for the
21 original license.

22 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520(9), and
23 WAC 208-660-550(5), upon completion of any investigation of the books and records of a licensee or other
24 person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing
25

1 to cover the cost of the investigation. The investigation charge will be calculated at the rate of forty-eight
2 dollars (\$48.00) per hour that each staff person devoted to the investigation.

4 IV. NOTICE OF INTENTION TO ENTER ORDER

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

- 9 4.1 Respondent James Arthur Law's license to conduct the business of a loan originator be revoked; and
10 4.2 Respondent James Arthur Laws be prohibited from participation in the conduct of the affairs of any
11 mortgage broker subject to licensure by the Director, in any manner, through March 20, 2017.
12 4.3 Respondent James Arthur Laws pay an investigation fee in the amount of \$283.20 calculated at \$48.00
per hour for the 5.90 staff hours devoted to the investigation.

13 V. AUTHORITY AND PROCEDURE

14 This Statement of Charges and Notice of Intention to Enter an Order to Revoke License and Prohibit from
15 Industry (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221,
16 RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The
17 Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in the
18 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
19 Statement of Charges.
20

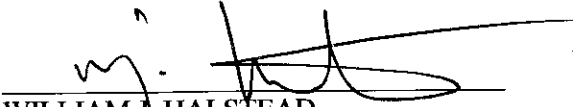
21 Dated this 22nd day of October, 2007.

23 

24 DEBORAH BORTNER
25 Director
Division of Consumer Services
Department of Financial Institutions

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Presented by:



WILLIAM J. HALSTEAD
Financial Legal Examiner

Approved by:



FATIMA BATIE
Financial Legal Examiner Supervisor

