

Terms Completed

ORDER SUMMARY – Case Number: C-07-495

Name(s): Bard West Phelps

Order Number: C-07-495-08-FO01

Effective Date: January 4, 2008

License Number: DFI: 39219

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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

Not Apply Until: _____

Not Eligible Until: _____

Prohibition/Ban Until: _____

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

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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:

BARD WEST PHELPS,
Respondent.

NO. C-07-495-08-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 December 5, 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 December 6, 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 December 6, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent on December 6, 2007, by first class mail and Federal Express overnight delivery. On December 7, 2007, the documents sent via Federal Express overnight delivery were delivered to and signed for by Respondent Phelps. 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 December 6, 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.

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 Respondent Bard West Phelps' application for a loan
15 originator license is denied.

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

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

10 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
11 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
12 attached hereto.

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14 DATED this 7th day of January, 2008.

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17 STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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19 DEBORAH BORTNER
20 DIRECTOR
21 DIVISION OF CONSUMER SERVICES



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3 **STATE OF WASHINGTON**
4 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
5 **DIVISION OF CONSUMER SERVICES**

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

9 **BARD WEST PHELPS,**

Respondent.

NO. C-07-495-07-SC01

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

10 **INTRODUCTION**

11 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial
12 Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the
13 Mortgage Broker Practices Act (Act)¹. After having conducted an investigation pursuant to RCW 19.146.310, and
14 based upon the facts available as of the date of this Statement of Charges, the Director, through his designee,
15 Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

16 **I. FACTUAL ALLEGATIONS**

17 **1.1 Respondent Bard West Phelps (Respondent Phelps)** submitted an application to the Department of
18 Financial Institutions of the State of Washington (Department) for a loan originator license under Loan Network
19 LLC, a mortgage broker licensed under the Act. The on-line application was received by the Department on or
20 about December 29, 2007.

21 **1.2 Requirement to Demonstrate Character and General Fitness.** On April 14, 2003, Respondent
22 Phelps was charged in the Criminal Court of Bucks County, Pennsylvania, under case number 890-2003, with
23 the following crimes of dishonesty:²

24
25 ¹ RCW 19.146 (Amended 2006; Effective January 1, 2007)

² These crimes are first degree misdemeanors under Pennsylvania law, and are the equivalent of Class C felonies under Washington law.

1 A. Bad Checks (4105) M1°

2 did, issue or pass a check for the payment of money, the amount of the check being \$2,000,
3 knowing that it would not be honored by the drawee.

4 B. Theft by Failure to Make Required Disposition of Funds Received (3927)(a) M1°

5 did, having obtained property, to wit, semi private office, upon agreement, or subject to a
6 known legal obligation, to make specific payment or other disposition, intentionally deal with
7 the property obtained as his own and failed to make the required payment or disposition.

8 Respondent Phelps was scheduled to appear in the Bucks County Criminal Court on April 23, 2003, for
9 arraignment, but failed to appear. A bench warrant was ordered and remains in effect.

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

11 **2.1 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
12 forth in Section I above, Respondent Phelps fails to meet the requirements of RCW 19.146.310(1)(g) and WAC
13 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of
14 the community and to warrant a belief that the business will be operated honestly and fairly within the purposes
15 of the Act.

16 **III. AUTHORITY TO IMPOSE SANCTIONS**

17 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
18 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the
19 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
20 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
21 of the denial.

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

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

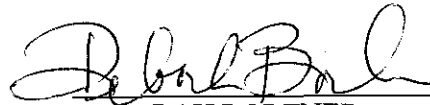
2 Therefore, it is the Director's intention to ORDER that:

3 4.1 Respondent Bard West Phelps' application for a loan originator license be denied.

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5 **V. AUTHORITY AND PROCEDURE**


6 This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application
7 (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW
8 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative
9 Procedure Act). Respondent may make a written request for a hearing as set forth in the NOTICE OF
10 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of
11 Charges.

12 Dated this 5th day of December, 2007.

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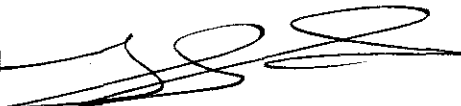
15 DEBORAH BORTNER
16 Director
17 Division of Consumer Services
18 Department of Financial Institutions

19 Presented by:

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21 STEVEN C. SHERMAN
22 Financial Legal Examiner

23 Approved by:

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25 FATIMA BATIE
Financial Legal Examiner Supervisor

