

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

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

7 DALE DAVID MILLS, AKA
8 DALE KING GEORGE

Respondent.

NO. C-07-513-08-FO01

FINAL ORDER

9 I. DIRECTOR'S CONSIDERATION

10 A. Default. This matter has come before the Director of the Department of
11 Financial Institutions of the State of Washington (Director), through his designee, Consumer Services
12 Division Director, Deborah Bortner, pursuant to RCW 34.05.440(1). On December 17, 2007, the
13 Director, through Consumer Services Division, Director Deborah Bortner, entered a Statement of
14 Charges and Notice of Intention to Enter an Order to Deny License Application (Statement of
15 Charges). A copy of the Statement of Charges is attached and incorporated into this order by this
16 reference. The Statement of Charges was accompanied by a cover letter dated December 17, 2007, a
17 Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for
18 Adjudicative Hearing. The Department served the Statement of Charges, cover letter dated December
19 17, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for
20 Adjudicative Hearing on Respondent on December 17, 2007 by first class mail and Federal Express
21 overnight delivery. On December 18, 2007, the documents sent via Federal Express overnight
22 delivery were delivered. The documents sent via first class mail were not returned to the Department
23 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 17, 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:

- 15 1. Respondent Dale David Mills' application for a loan originator license is denied; and
- 16 2. Respondent Dale David Mills is banned from participation in the conduct of the
17 affairs of any mortgage broker subject to licensure by the Director, in any manner,
18 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
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.
15

16 DATED this 17th day of January, 2008.
17



18 STATE OF WASHINGTON
19 DEPARTMENT OF FINANCIAL INSTITUTIONS

20
21 
22 DEBORAH BORTNER
23 DIRECTOR
24 DIVISION OF CONSUMER SERVICES

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 INVESTIGATING
the Loan Originator License Application under the
Mortgage Broker Practices Act of Washington by:

DALE DAVID MILLS, AKA
DALE KING GEORGE

Respondent.

NO. C-07-513-07-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 Dale David Mills (Respondent Mills) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Milestone Financial Group, Inc, 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.

A. On or about December 13, 2001, Respondent Mills was indicted in the United States District Court for the District of Idaho on the following charges: Five counts of Willful Failure To File Income Tax Returns, a Misdemeanor pursuant to 26 U.S.C. § 7203; Five counts of False Use Of Social Security Number, a Felony pursuant to 42 U. S. C. § 408(a); and one count of False Claim Against The United States, a felony pursuant to 18 U. S. C. § 287.

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

1 **B.** On or about May 20, 2002, Respondent Mills pled guilty to two counts of Willful Failure To
2 File Income Tax Returns. On or about August 27, 2002, the United States District Court Judge entered a
3 Judgment finding Respondent Mills guilty of the crime of Willful Failure To File Income Tax Returns.
4 Respondent Mills was sentenced to a term of 24 months imprisonment, a misdemeanor pursuant to 26 U.S.C. §
5 7203.

6 **C.** Respondent Mill was convicted and sentenced to a term of imprisonment exceeding one year,
7 but less than five (5) years, this conviction and sentence amounts to a gross misdemeanor under Washington
8 State law pursuant to RCW 9A.20.020(2).

9 **1.3 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 Mills answered “Yes” to the following question on the “Criminal Disclosure” section of his loan
13 originator license application:

- 14 • 2-Have you ever been charged with a felony? Respondent Mills answered “Tax fraud by IRS.
15 Charges dropped

16 Respondent Mills answered “No” to the following questions on the “Criminal Disclosure” section of his loan
17 originator license application:

- 18 • 5-Have you ever been convicted of or plead guilty or nolo contendere (“no contest”) in a
19 domestic, foreign, or military court to any misdemeanor involving: financial services or a
20 financial services-related business or any fraud, false statements or omissions, theft or any
21 taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to
22 commit any of these offenses?
- 23 • 6-Have you ever been charged with a misdemeanor specified in 5?

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

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

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

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

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

15 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
16 forth in Section I above, Respondent Mills fails to meet the requirements of RCW 19.146.310(1)(g) and WAC
17 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of
18 the community and to warrant a belief that the business will be operated honestly and fairly within the purposes
19 of the Act.

20 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

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

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

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

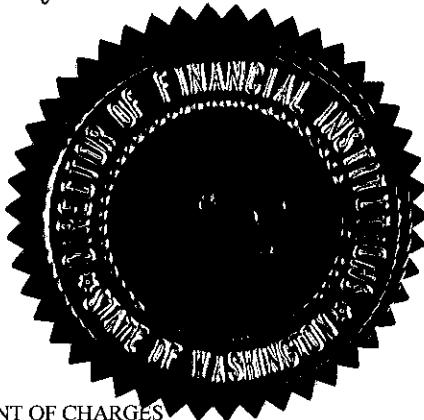
10 **4.1** Respondent DALE DAVID MILLS's application for a loan originator license be denied.

11 **4.2** Respondent DALE DAVID MILLS be prohibited from participation in the conduct of the affairs of any
12 mortgage broker subject to licensure by the Director, in any manner, through December 29, 2013.

13 **V. AUTHORITY AND PROCEDURE**

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

20 Dated this 17th day of December, 2007.



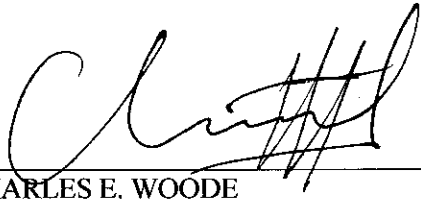
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

1 Presented by:

2

3

4



CHARLES E. WOODE
Financial Legal Examiner

6

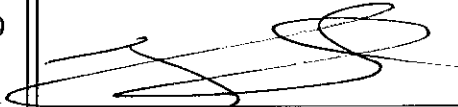
7

8 Approved by:

9

10

11



FATIMA BATIE
Financial Legal Examiner Supervisor

13

14

15

16

17

18

19

20

21

22

23

24

25