

FINAL ORDER SUMMARY – Case Number: C-08-250

Name(s) Your Money Store, Inc.
Gregory George Zandi

Order Number C-08-250-09-FO02

Effective Date February 23, 2009

License Number _____
(Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect Revoked

Not Apply until February 24, 2014

Prohibition/Ban until February 23,2014

Investigation Costs	\$	Due	Paid	Date
		192.00	2/20/2009	No

Assessment(s)	\$	Due	Paid	Date
				Y N

Monetary Penalty	\$	Due	Paid	Date
				Y N

Other _____

Special Instructions _____

Distribution: Original to Enforcement File
 Copy to Licensing Supervisor with Licensing File and copy of Final/Consent Order
 Information to Database(s) – Branch, Individual, Contact Person

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**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:

YOUR MONEY STORE, INC, and
GREGORY GEORGE ZANDI, President, Owner
and Designated Broker, and MARY KATHERINE
ZANDI, Secretary and Owner,

Respondents.

NO. C-08-250-09-FO02

FINAL ORDER

YOUR MONEY STORE, INC and
GREGORY GEORGE ZANDI

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 5, 2008, the
Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of
Charges and Notice of Intention to Enter an Order to Revoke License, Prohibit from Industry and
Collect Investigation Fee (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 8, 2008, a Notice of Opportunity to Defend and Opportunity for Hearing, and
blank Applications for Adjudicative Hearing for Your Money Store, Inc, Gregory George Zandi, and
Mary Katherine Zandi. The Department served the Statement of Charges, cover letter dated
September 8, 2008, Notice of Opportunity to Defend and Opportunity for Hearing, and blank
Applications for Adjudicative Hearing for Your Money Store, Inc, Gregory George Zandi, and Mary
Katherine Zandi on Respondents, on September 8, 2008 by First Class mail and Federal Express

1 overnight delivery. On September 9, 2008, the documents sent via Federal Express overnight delivery
2 were delivered. The documents sent via First Class mail were not returned to the Department by the
3 United States Post Office.

4 On September 16, 2008, the Department received from Respondent Your Money Store, Inc, a
5 completed Application for Adjudicative Hearing. The completed Application for Adjudicative
6 Hearing did not request a hearing. The Application for Adjudicative Hearing was signed by
7 Respondent Gregory George Zandi.

8 Respondent Gregory George Zandi, did not request an adjudicative hearing within twenty
9 calendar days after the Department served him with the Notice of Opportunity to Defend and
10 Opportunity for Hearing, as provided for in WAC 208-08-050(2).
11

12 B. Record Presented. The record presented to the Director's designee for her review and
13 for entry of a final decision included the following: Statement of Charges, cover letter dated September
14 8, 2008, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for
15 Adjudicative Hearing for Your Money Store, Inc. and Gregory George Zandi, with documentation of
16 service.

17 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
18 Director's designee hereby adopts the Statement of Charges, which is attached hereto.
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20 II. FINAL ORDER

21 Based upon the foregoing, and the Director's designee having considered the record and
22 being otherwise fully advised, NOW, THEREFORE:
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A. IT IS HEREBY ORDERED, That:

1. Respondent Your Money Store, Inc's application for a license to conduct the business of a Mortgage Broker is revoked; and
2. Respondent Gregory George Zandi's license to conduct the business of a Loan Originator is revoked; and
3. Respondent Your Money Store, Inc. is banned from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years; and
4. Respondent insert Gregory George Zandi is banned from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years; and
5. Respondents Your Money Store, Inc. and Gregory George Zandi jointly and severally pay an investigation fee of \$192.
6. Respondents Your Money Store, Inc. and Gregory George Zandi maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondent Your Money Store, Inc.'s mortgage broker business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a

Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia, Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for Reconsideration a prerequisite for seeking judicial review in this matter. A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date the petition is filed, the

1 agency does not (a) dispose of the petition or (b) serve the parties with a written notice specifying the
2 date by which it will act on a petition.

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

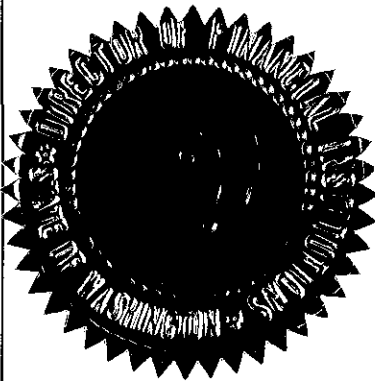
6 D. Judicial Review. Respondents have the right to petition the superior court for
7 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
8 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

9 E. Non-compliance with Order. If you do not comply with the terms of this order, the
10 Department may seek its enforcement by the Office of Attorney General to include the collection of the
11 fines, fees and restitution imposed herein.

12 F. 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 23rd day of February, 2009.

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18 STATE OF WASHINGTON
19 DEPARTMENT OF FINANCIAL INSTITUTIONS



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

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**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:

YOUR MONEY STORE, INC., and
GREGORY GEORGE ZANDI, President, Owner
and Designated Broker, and MARY
KATHERINE ZANDI, Secretary and Owner,

Respondents.

NO. C-08-250-08-SC01

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

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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 19.146.235 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 Respondents.

A. **Your Money Store, Inc. (YMS)** was originally licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on April 5, 2005, and that license was renewed on January 1, 2008. Respondent YMS is licensed to conduct the business of a mortgage broker at the following location: 24385 Sargeant Rd, Ramona, CA 92065.

¹ RCW 19.146 2006

1 B. **Gregory George Zandi (Gregory Zandi)** is 50% Owner, President and Designated Broker of
2 Respondent YMS. Respondent Gregory Zandi was named Designated Broker of Respondent YMS on April 5,
3 2005, and has continued as Designated Broker to date. On January 1, 2007, Respondent Gregory Zandi was
4 licensed to conduct the business of a loan originator under Respondent YMS and continues to be licensed to date.

5 C. **Mary Katherine Zandi (Mary Zandi)** is 50% Owner and Secretary of Respondent YMS.

6 **1.2 Prior Criminal Acts.** On or about May 26, 2005, Respondent Gregory Zandi was charged in Superior
7 Court of California, County of San Diego East County Division with one count of [REDACTED], a misdemeanor
8 pursuant to California Penal Code Section [REDACTED]. On or about October 6, 2005, Respondent Gregory Zandi
9 entered a plea of no contest to the charge of [REDACTED].

10 On or about June 18, 2007, the Superior Court of California, County of San Diego, East County
11 Division, in court case number C250651 issued an Order Granting Petition for Relief and granted a petition to
12 set aside the conviction and dismiss the charges. The Order Granting Petition for Relief also ordered the
13 following: **"IT IS FURTHER ORDERED that the defendant is released from all penalties and disabilities**
14 **resulting from this conviction, EXCEPT:** The defendant is ordered to disclose this conviction in response to
15 any direct question contained in any questionnaire or application for public office, for licensure by any state or
16 local agency,...."

17 **1.3 False Statements on Mortgage Broker Renewal Application.** The "Criminal Disclosure" section of
18 the mortgage broker renewal license application consists of four questions, Respondents answered "no" to the
19 following questions on the "Criminal Disclosure" of the mortgage broker renewal license application:

- 20 • 3-Has your designated broker, any owner or officer been convicted of or plead guilty or nolo
21 contendere ("no contest") in a domestic, foreign or military court to a misdemeanor involving:
22 financial services or a financial services-related business or any fraud, false statements or
23 omissions, theft or any wrongful taking of property, bribery, perjury, forgery, counterfeiting,
24 extortion or a conspiracy to commit any of the these offenses in the past 7 years? If yes,
25 please provide an explanation.

- 4-Has your designated broker, any owner or officer been charged with a misdemeanor specified in 3 in the past 7 years? If yes, please provide an explanation.

Respondents were obligated by statute to answer questions on the mortgage broker renewal license application truthfully and to provide the Department with an explanation.

1.4 On-Going Investigation. The Department's investigation into the alleged violations of the Act by Respondents continues to date.

II. GROUNDS FOR ENTRY OF ORDER

2.1 Prohibited Acts. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making a false statement or knowingly and willfully making an omission of material fact in connection with any reports filed by a mortgage broker or in connection with an investigation conducted by the Department.

2.2 Requirement to Provide Information on License Application. Based on the Factual Allegations set forth in Section I above, Respondents fail to meet the requirements of RCW 19.146.205(1), RCW 19.146.210(1), WAC 208-660-163(1) by failing to provide an accurate and complete written license application in the form prescribed by the Director.

2.3 Requirement to Demonstrate Character and General Fitness. Based on the Factual Allegations set forth in Section I above, Respondents fail to meet the requirements of RCW 19.146.210(1)(f) and WAC 208-660-163(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of the community and to warrant a belief that the business will be operated honestly and fairly within the purposes of the Act.

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Revoke License. Pursuant to RCW 19.146.220(2)(e), and WAC 208-660-163, the Director may revoke a license for any violation of the Act.

3.2 Authority to Prohibit from the Industry. Pursuant to RCW 19.146.220(5)(a), the Director may issue orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed

1 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
2 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or (12),
3 RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265.

4 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-550(4),
5 upon completion of any investigation of the books and records of a licensee or other person subject to the Act,
6 the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the
7 investigation. The investigation charge will be calculated at the rate of forty-seven dollars (\$48) per hour that
8 each staff person devoted to the investigation.

9 IV. NOTICE OF INTENTION TO ENTER ORDER

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

- 14 **4.1** Respondent Your Money Store, Inc.'s license to conduct the business of a mortgage broker be revoked;
15 and
- 16 **4.2** Respondent Gregory George Zandi's license to conduct the business of a loan originator be revoked; and
- 17 **4.3** Respondent Your Money Store, Inc. be prohibited from participation in the conduct of the affairs of any
18 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years; and
- 19 **4.4** Respondent Gregory George Zandi be prohibited from participation in the conduct of the affairs of any
20 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years; and
- 21 **4.6** Respondents Your Money Store, Inc., Gregory George Zandi and Mary Katherine Zandi jointly and
22 severally pay an investigation fee in the amount of \$192 calculated at \$48 per hour for the four (4) staff
23 hours devoted to the investigation; and
- 24 **4.7** Respondents Your Money Store, Inc., Gregory George Zandi and Mary Katherine Zandi maintain records
25 in compliance with the Act and provide the Department with the location of the books, records and other
information relating to Respondent Your Money Store, Inc.'s mortgage broker business, and the name,
address and telephone number of the individual responsible for maintenance of such records in compliance
with the Act.

1 **V. AUTHORITY AND PROCEDURE**

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

8
9 Dated this 5th day of September, 2008.

10 [Redacted Signature]

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

16 Presented by:

17 [Redacted Signature]

18 FATIMA BATE
19 Financial Legal Examiner Supervisor



20 Approved by:

21 [Redacted Signature]

22 JAMES R. BRUSSELBACK
23 Enforcement Chief