

Terms Completed

ORDER SUMMARY – Case Number: C-09-321

Name(s): Equity Options, Inc.

Order Number: C-09-321-12-CO01

Effective Date: September 11, 2012

License Number: DFI: 19367 NMLS: 976071
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: n/a

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

Investigation Costs	\$96	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:				

Comments: Terms of CO completed, license expired, no prohibition, costs paid

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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:
EQUITY OPTIONS, INC.,
Respondent.

No.: C-09-321-12-CO01

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Equity Options, Inc. (Respondent), and finding that the issues raised in the above-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 the 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-09-321-09-SC01 (Statement of Charges), entered September 15, 2009, (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.

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
5 hearing before an administrative law judge, and hereby waives its right to a hearing and any and all
6 administrative and judicial review of the issues raised in this matter, or of the resolution reached
7 herein.

8 C. **Mortgage Broker License Expired.** It is AGREED that Respondent's mortgage broker
9 license expired effective December 31, 2008, and Respondent does not currently hold a mortgage
10 broker license.

11 D. **Mortgage Broker Activity.** It is AGREED that Respondent stated it did not broker any
12 residential mortgage loans secured by Washington real estate following the expiration of its mortgage
13 broker license.

14 E. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
15 investigation fee of \$96, made payable to the "Washington State Treasurer," upon entry of this
16 Consent Order.

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

21 G. **Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily
22 entered into this Consent Order, which is effective when signed by the Director's designee.
23

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

3 **RESPONDENT:**

4 **Equity Options, Inc.**

5 By:

6 /s/
Walter C. Maddux
7 President

08/23/12
Date

9 DO NOT WRITE BELOW THIS LINE

10 THIS ORDER ENTERED THIS 11th DAY OF September, 2012

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

15 Presented by:

16
17 /s/
KENNETH J. SUGIMOTO
18 Financial Legal Examiner

19 Approved by:

20 /s/
21 CHARLES E. CLARK
Enforcement Chief

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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:

EQUITY OPTIONS INC,

Respondent.

NO. C-09-321-09-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO IMPOSE FINE AND COLLECT
INVESTIGATION FEE

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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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 Equity Options Inc (Respondent) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker at all times relevant to the conduct alleged.

1.2 Failure to File Mortgage Broker Annual Report. By March 31, 2009, Respondent was required to file an annual report of mortgage broker activity to include the total number of closed loans originated and the total volume of closed loans originated. As of the date of this Statement of Charges Respondent has not filed the 2008 mortgage broker annual report.

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

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II. GROUNDS FOR ENTRY OF ORDER

2.1 Requirement to File Mortgage Broker Annual Report. Based on the Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.290(1) and WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Impose Fine. Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a licensee or other person subject to the Act for any violations of the Act.

3.2 Authority to Collect Investigation Fee. Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person devoted to the investigation.

IV. NOTICE OF INTENTION TO ENTER ORDER

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

- 4.1** Respondent Equity Options Inc pay a fine of \$3,000; and
- 4.2** Respondent Equity Options Inc pay an investigation fee, which as of the date of these charges is \$96 calculated at \$48 per hour for two staff hours devoted to the investigation; and
- 4.3** Respondent Equity Options Inc file the 2008 annual report of mortgage broker activity.

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V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (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 Brief Adjudicative Proceeding as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR BRIEF ADJUDICATIVE PROCEEDING accompanying this Statement of Charges.

Dated this 15th day of September, 2009.

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

FATIMA BATIE
Financial Legal Examiner Supervisor

Approved by:

JAMES R. BRUSSELBACK
Enforcement Chief

