

## ORDER SUMMARY – Case Number: C-09-461

**Name(s):** James Y. Ipek

**Order Number:** C-09-461-13-FO02 (Captioned Agreed Order)

**Effective Date:** August 27, 2013

**License Number:** N/A – Formerly licensed under DFI – 330601 and NMLS 4902  
(Revoked, suspended, stayed, application denied or withdrawn)  
 If applicable, you must specifically note the ending dates of terms.

**Or NMLS Identifier [U/L]**

**License Effect:** With the exception of the financial obligations detailed below, all of the provisions related to Mr. Ipek in the Final Order entered April 18, 2012, Order Number C-09-461-12-FO01, remain effective as to Mr. Ipek and Set2Go Loans, Inc.

**Not Apply Until:** N/A in this Order; see Final Order Summary in C-09-461-12-FO01.

**Not Eligible Until:** N/A in this Order; see Final Order Summary in C-09-461-12-FO01.

**Prohibition/Ban Until:** N/A in this Order; see Final Order Summary in C-09-461-12-FO01.

<b>Investigation Costs:</b>	\$ Released	Due: N/A	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
<b>Fine:</b>	\$ Released	Due: N/A	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
<b>Assessment(s): N/A</b>	\$ N/A	Due: N/A	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
<b>Restitution:</b>	\$ 10,000	Due: 9/10/13	Paid: <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 9/3/13
<b>Judgment: N/A</b>	\$	Due:	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
<b>Satisfaction of Judgment Filed? N/A</b>	<input type="checkbox"/> Y <input type="checkbox"/> N			
No. of Victims:		2		

Comments: See Agreed Order for information concerning Mr. Ipek's Petition for Reconsideration and the Department's resolution of his Petition.



State of Washington  
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

SET2GO LOANS, INC., and JAMES Y. IPEK,  
President, Owner, and Designated Broker,

Respondents.

ORDER NO. C-09-461-13-F002

AGREED ORDER CONCERNING  
JAMES Y. IPEK'S FINANCIAL  
OBLIGATIONS UNDER FINAL  
DECISION AND ORDER  
C-09-461-12-FO01

COMES NOW Scott Jarvis, the Director ("Director") of the Washington State Department of Financial Institutions ("Department"), and James Y. Ipek ("Mr. Ipek"), by and through his counsel, Seth A. Rosenberg of The Rosenberg Law Group, PLLC, and finding that there is good cause for the Department and Mr. Ipek to fully and finally settle, compromise, and resolve Mr. Ipek's financial obligations under the Department's Final Decision and Order ("Final Order") entered the April 18, 2012, hereby agree to the entry of this Agreed Order Concerning Respondent James Y. Ipek's Financial Obligations Under Final Order C-09-461-12-FO01 ("Agreed Order"). This Agreed Order is intended to fully resolve Mr. Ipek's Petition for Reconsideration ("Petition") currently pending before the Director, and is entered pursuant to chapter 19.146 of the Revised Code of Washington and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**AGREEMENT AND ORDER**

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

2. **Final Order Shall Remain Effective.** It is AGREED AND ORDERED that except for the financial obligations imposed on Mr. Ipek by the Final Order, attached hereto as Exhibit A, that all other provisions of the Final Order shall remain effective against Mr. Ipek and Set2Go Loans, Inc., as set forth in the Final Order.

3. **Mr. Ipek's Petition for Reconsideration.** Mr. Ipek has raised mitigating factors in his Petition with respect to his ownership of Set2Go Loans, Inc., at the time the alleged violations occurred.<sup>1</sup> In consideration of those mitigating factors and the evidence presented by Mr. Ipek of his inability to pay the financial obligations imposed by the Final Order, his willingness to make a partial payment of restitution to the identified borrowers, and his waiver of further administrative or judicial review of the Final Order or this Agreed Order, the Director, in an exercise of discretion, finds there is good cause to enter this Agreed Order.

4. **Financial Obligations Imposed on Mr. Ipek.** It is AGREED that pursuant to the Final Order, Mr. Ipek is jointly and severally obligated with Set2Go Loans, Inc. to pay to the Department a fine of \$155,500, an investigation fee of \$1,920, and restitution to all borrowers subjected to certain illegal practices detailed in the Final Order, including \$13,179.00 to borrower "████" and \$11,075.31 to borrower "████". Subject to and contingent upon Mr. Ipek's compliance with and completion of the payment obligations set forth in paragraph 5 below, the Department AGREES that Mr. Ipek will be released of the obligation to pay the fine and investigative fee to the Department, and to pay further restitution to borrowers.

5. **Payment of Partial Restitution.** It is AGREED AND ORDERED that in full and final satisfaction and settlement of the fine, investigative fees, and restitution provisions of the

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<sup>1</sup> The Final Order was entered pursuant to the Department's default procedures because the Department did not receive a timely request for adjudicative hearing following service of the Statement of Charges. In his Petition for Reconsideration, Mr. Ipek contests the validity of service of the Statement of Charges as to him and requests an adjudicative hearing.

Final Order as to Mr. Ipek, prior to the entry of this Agreed Order, Mr. Ipek shall deposit \$10,000 into the lawyer's trust account at The Rosenberg Law Group, PLLC, for the sole benefit of the borrowers, and shall provide evidence to the Department that such deposit has been made. Within two weeks of the deposit, Mr. Ipek shall instruct counsel to distribute the funds in the amount of \$5,000 to each of the two borrowers. [REDACTED] and "[REDACTED]" named in the Final Order, accompanied by an explanatory letter, printed on the letterhead of The Rosenberg Law Group, PLLC, as detailed in Attachment B to this Agreed Order.

6. It is further AGREED that once those funds are deposited Mr. Ipek shall not be permitted to receive any portion of the restitution funds. In the event that a borrower cannot be found or restitution checks are not cashed within 60 days of issuance, Mr. Ipek shall instruct counsel to remit the unclaimed funds to the Washington State Department of Revenue ("Department of Revenue") as unclaimed property on behalf of the specified borrower, subject to the rules and regulations of the Unclaimed Property Section of the Department of Revenue. Mr. Ipek will bear the cost, separately from the funds deposited into the trust account, of all related restitution expenses such as counsel's fees, costs of mailing, remitting funds to the Department of Revenue, and stopping payment on outstanding checks that are not returned or cashed. Within 120 days after entry of this Agreed Order Mr. Ipek will provide the Department with proof that all restitution payments have been made, in the form of a copy of the front and back of each cancelled restitution check, or, if applicable, a copy of the front and back of any check made out to the Department of Revenue along with a copy of any unclaimed property forms submitted to the Department of Revenue. In addition, Mr. Ipek shall provide the department with written confirmation from The Rosenberg Law Group, PLLC, that all restitution funds have been distributed as agreed.

7. **Rights of Borrowers.** It is AGREED that the Department does not represent or have the consent of any person or entity not a party to this Agreed Order to take any action concerning their legal rights. It is further AGREED that for any person or entity not a party to this Agreed Order, this Agreed Order does not limit any private rights or remedies against Mr. Ipek, limit or create liability of Mr. Ipek, limit or create defenses of Mr. Ipek to any claims, or release, waive, or in any way affect any legal rights borrowers may have concerning Mr. Ipek.

8. **Authority of Department.** It is AGREED that nothing in this Agreed Order shall be construed as preventing the Department from fully exercising its authority and enforcing any provision of the statutes subject to enforcement by the Department.

9. **Voluntarily Entered.** It is AGREED that Mr. Ipek has voluntarily entered into this Agreed Order, which is effective when signed by the Director.

10. **Resolution of the Petition for Reconsideration.** It is AGREED that this Agreed Order fully resolves the Department's Case No. C-09-461 with respect to Mr. Ipek, including his Petition currently pending with the Director. The Department further AGREES it will not take action against Mr. Ipek for any alleged failure to provide information to the Department, or seek to recover any unpaid fines, investigation fees, or restitution identified in the Final Order from any bond obligating Mr. Ipek, and will not impose or pursue collection of any fees from Mr. Ipek association with reviewing and resolving the Petition.

11. **Completely Read, Understood, and Agreed.** It is AGREED that Mr. Ipek has read this Agreed Order in its entirety and fully understands and agrees to all of the same.

James Y. Ipek

  
JAMES Y. IPEK

AGREED ORDER AS TO JAMES Y. IPEK'S  
FINANCIAL OBLIGATIONS UNDER FINAL  
DECISION AND ORDER NO. C-09-461-12-FO01  
AGREED ORDER NO. C-09-461-13-FO02

APPROVED AS TO FORM

  
SETH A ROSENBERG, WSBA #41660

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DEPARTMENT OF FINANCIAL INSTITUTIONS  
P.O. Box 41200  
Olympia, WA 98504-1200  
(360) 902-8703

The Rosenberg Law Group, PLLC  
Attorneys for James Y. Ipek

DO NOT WRITE BELOW THIS LINE

Signed and dated at Tumwater, Washington, on this 27<sup>th</sup> day of August, 2013.

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS



By:



Scott Jarvis  
Director

**ORDER SUMMARY – Case Number: C-09-461**

**Name(s):** Set2Go Loans Inc  
James Y. Ipek

**Order Number:** C-09-461-12-FO01

**Effective Date:** April 18, 2012

**License Number:** DFI: 30600 [NMLS: 3159] -Set2Go;  
**Or NMLS Identifier [U/L]** DFI: 30601 [NMLS: 4902] -Ipek

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

**License Effect:** Revoked

**Not Apply Until:** \_\_\_\_\_

**Not Eligible Until:** \_\_\_\_\_

**Prohibition/Ban Until:** April 18, 2022

<b>Investigation Costs</b>	\$1,920	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$155,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$24,254.31	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>	<input type="checkbox"/> Y <input type="checkbox"/> N			
No. of Victims:				

**Comments:** \_\_\_\_\_  
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 \_\_\_\_\_  
 \_\_\_\_\_



State of Washington

**DEPARTMENT OF FINANCIAL INSTITUTIONS**

IN THE MATTER OF:

SET2GO LOANS, INC., and JAMES Y.  
IPEK, President, Owner, and Designated  
Broker

Respondents.

OAH NO. 2011-DFI-0010

DFI NO. C-09-461-12-FO01

FINAL DECISION AND ORDER

THIS MATTER having come before SCOTT JARVIS, Director (“Director”) of the Washington State Department of Financial Institutions (“Department”), on the Respondents’ Petition for Review (“Respondents’ Petition”) dated April 4, 2011, from the Initial Decision and Order of Default (“Initial Order”) dated March 16, 2011, of Administrative Law Judge Steven C. Smith (“ALJ Smith”) of the Office of Administrative Hearings (“OAH”); the Director having fully considered the entire record on review, including, without limitation, all pleadings, testimony and recorded oral and written argument before ALJ Smith, , together with the Initial Order and Respondents’ Petition;

NOW, THEREFORE, the Director issues the following Final Decision and Order:

After conducting an examination and investigation of the business practices of Respondents SET2GO LOANS, INC. and JAMES Y. IPEK, President, Owner, and Designated Broker of Set2Go Loans, Inc. (“Respondents”) pursuant to RCW 19.146.235, the Department of Financial Institutions’ Division of Consumer Services (“Division”) issued against Respondents a Statement of Charges and Notice of Intent to Enter an Order to Revoke

IN THE MATTER OF: SET2GO LOANS, INC., AND JAMES Y. IPEK, PRESIDENT, OWNER, AND DESIGNATED BROKER  
OAH Docket No. 2011-DFI-0010; DFI No. C-09-461-12-FO01

FINAL DECISION AND ORDER - 1



Licenses, Prohibit from Industry, Order Restitution, Impose Fines, and Collect Investigation Fees, dated October 28, 2010 (“Statement of Charges”). On November 16, 2010, Respondents timely requested an Administrative Hearing to contest the Statement of Charges issued by the Division, dated October 28, 2010. This matter was assigned to the OAH, which designated ALJ Smith to hear the case.

ALJ Smith scheduled a telephonic Prehearing Conference on Wednesday, March 16, 2011 at 10:00 AM Pacific Time. The Respondents were timely made aware of the Prehearing Conference via a Notice of Prehearing Conference issued by ALJ Smith, dated February 28, 2011. On Monday, March 14, 2011, Respondents’ office manager, Sarah Martinez, sent a fax to OAH requesting that the telephonic Prehearing Conference be rescheduled to the month of April to accommodate Respondent James Y. Ipek, who was traveling in Brazil at the time. ALJ Smith never issued an order granting the Respondents’ request for postponement; subsequently, ALJ Smith ordered a default in the Division’s favor after Respondents failed to participate in the telephonic Prehearing Conference on March 16, 2011.

The Respondents then timely filed Respondents’ Petition on April 4, 2011. The Director has ordered, received and now considered the entire OAH Record. This Final Decision and Order are based upon a consideration of the entire OAH Record, including, without limitation, the following:

1. Statement of Charges;
2. Application for Adjudicative Hearing;
3. Notice of Prehearing Conference dated February 28, 2011;
4. Communication between Sarah Martinez and the OAH dated March 14, 2011;
5. Initial Order; and

## 6. Respondent's Petition.

1.0 Summary of the Case. This case comes before the Director on the ultimate issue of whether ALJ Smith properly entered an Order of Default after Respondents failed to participate in the March 16, 2011 telephonic Prehearing Conference. Secondly, the Director must consider also the failure of Respondents to bring a Motion to Vacate the Order of Default, and the untimely filing of Respondents' Petition. This issue revolves around the following undisputed facts and questions of law:

1.1 Notice of Prehearing Conference. ALJ Smith issued a Notice of Prehearing Conference to all parties on February 28, 2011. Attached to the Notice is a Certificate of Service affirming that the Notice was served upon Respondents; indeed, Respondents do not contend as part of their Petition for Review that the Notice was never received. The fifth paragraph of the Notice contains this admonition directed to the Respondents: **"You must participate in the conference. If you do not, a default may be entered. This means you lose the opportunity to further challenge the agency action. RCW 34.05.440"** (emphasis in original). The subsequent paragraph directs Respondents on the required process to obtain a rescheduled conference. Respondents are explicitly instructed: **"Do not assume your request has been granted until you are informed that an order has been signed. If you are not informed that a postponement order has been signed, you must appear at the scheduled date, time and location"** (emphasis in original).

1.2 RCW 34.05.440(2). RCW 34.05.440 states, in relevant part: "(2) If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding, . . . the

presiding officer may serve upon all parties a default or other dispositive order, which shall include a statement of the grounds for the order.”<sup>1</sup>

1.3 No Postponement Order was Issued by ALJ Smith. Although OAH did receive on March 14, 2011, via FAX, a request to postpone the telephonic Prehearing Conference until April, ALJ Smith issued no postponement order accommodating the request. A request to reschedule does not bind an ALJ to affirmatively act to reschedule a hearing; Respondents were aware of this from the bolded language of the Notice of Prehearing Conference: **“Do not assume your request has been granted until you are informed that an order has been signed. If you are not informed that a postponement order has been signed, you must appear at the scheduled date, time and location.”** It was incumbent on the Respondents to comply with all aspects of the Notice of Prehearing Conference, including the requirement to participate in the telephonic Prehearing Conference, unless the Respondents were informed that a postponement order has been signed by the ALJ.

1.4 Oral Findings of ALJ Smith at Pre-Hearing Conference. The Director has listened to the oral findings of ALJ Smith made at the telephonic Prehearing Conference on March 16, 2011, which was set for 10:00 AM,<sup>2</sup> and which did not commence until 10:15 AM in order to afford all parties adequate opportunity to join the teleconference using a designated toll free number and WebEx account. The Director has determined that ALJ Smith’s oral findings, as a basis for entering an order of default, are persuasive, including the following findings by ALJ Smith:

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<sup>1</sup> RCW 34.05.440(2).

<sup>2</sup> As recorded by OAH.

- 1.4.1 The Notice of Prehearing Conference was served by mail on February 28, 2011;
- 1.4.2 The Notice of Prehearing Conference was sent to the parties, James Ipek and Set2Go Loans, Inc., at their designated address in Newport Beach, California;
- 1.4.3 The Notice of Prehearing Conference stated that the only method for rescheduling a prehearing conference was by contacting ALJ Smith directly, and there is no record of the Respondents having done so;
- 1.4.4 There is no authorization statement in the record empowering any person other than James Ipek to represent either James Ipek of Set2Go Loans, Inc. in this matter;
- 1.4.5 Respondents' putative office manager, Sarah Martinez, was not a person with the authority to formally act on behalf of Respondents in this matter, not being identified to OAH or ALJ Smith as an officer of Set2Go Loans, Inc., and not being an attorney at law, an authorized legal representative, or a respondent in the case;
- 1.4.6 Ms. Martinez's FAXed letter, if it had come to the attention of OAH, could not be legally or reasonably relied upon as a request from Respondents;
- 1.4.7 Neither Respondents or Ms. Martinez had the right to assume that Ms. Martinez's informal request would be given credence, since the Notice of Prehearing Conference declared (in bold type): **"Do not assume your request has been granted until you are informed that an order has**

**been signed. If you are not informed that a postponement order has been signed, you must appear at the scheduled date, time and location.”**

1.4.8 There was no indication in any communication from Respondents or informally, by way of the letter from the officer manager, Sarah Martinez, that would have given ALJ Smith any reason to believe that James Ipek (even if he were out of the country on the date of the Prehearing Conference) was incapable of joining the telephonic prehearing conference based upon the instructions set forth in the notice of Prehearing Conference;

1.4.9 There was no evidence given of a problem or emergency that would necessitate re-scheduling; and

1.4.10 ALJ Smith did take administrative notice that two (2) default orders had already been entered against Respondents in their conduct of the same business in the states of Connecticut and Michigan.

1.5 No Motion to Vacate. When a default order is served on a party, RCW 34.05.440(3) accords the party seven (7) days, “or such longer period as provided by agency rule, . . . [to] file a written motion requesting that the order be vacated, and stating the grounds relied upon.”<sup>3</sup> The Department has no rule in derogation of the “seven day” provision set forth in RCW 34.05.440(3). Respondents made no such motion to vacate the order of default before filing Respondents’ Petition.

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<sup>3</sup> RCW 34.05.440(3).

1.6 Petition for Review was untimely. On March 16, 2011, the Initial Order was served by mail upon Respondents. Respondents had twenty (20) days from the service by mail of the Initial Order to file with the Director a petition for review of the Initial Order. The Respondents' Petition, while dated April 4, 2011, was not received by the Director until April 6, 2011, which was one (1) day after April 5, 2011, the final date for filing a proper petition for review. Moreover, the record indicates that the FedEx shipping date for Respondents' Petition was April 5, 2011, and Respondents' Petition was shipped from Newport Beach, California. In the view of the Director, Respondents knew or should have known that the filing of Respondents' Petition would be untimely. Moreover, there does not appear from the record to be any attempt to properly FAX a petition for review within the twenty (20) days (or to make arrangements with the Director and the Division for permission to email one, as required by the Administrative Procedures Act's Model Rules of Procedure).<sup>4</sup>

1.7 Admissions by Respondent Ipek. The Director finds the following statement by James Ipek in the Respondents' Petition unpersuasive: "I was out of the country for the majority (sic) month of March. Upon my arrival the office manager Sarah Martinez with Set2Go Loans, Inc. informed (sic) that I had missed the March 16, 2011 hearing."

1.7.1 The Notice of Prehearing Conference [containing the date of the Prehearing Conference (March 16<sup>th</sup>) and the above-mentioned warnings of the consequences for failure to appear] was served by mail by OAH on February 28, 2011. Yet Mr. Ipek has not made a sufficient showing

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<sup>4</sup> See WAC 10-08-110(b) & (c).

in Respondents' Petition for the Director, by way of discretion, to grant relief from the Order of Default.

1.7.2 No attempt has been made, for example, to show what actual dates in March 2011 that Mr. Ipek was out of the country. Nor does Mr. Ipek demonstrate when he returned from being out of the country.<sup>5</sup> If we take the statements of Mr. Ipek (as the only authorized person to speak for Respondents) at face value, he returned to the office from being out of the country sometime after March 16<sup>th</sup> but before April 1<sup>st</sup>. However, this could have been within the time for filing a Motion to Vacate the Order of Default.

1.7.3 Moreover, April 1<sup>st</sup> (a Friday) was a business day, and Mr. Ipek had plenty of time (i.e., prior to April 5<sup>th</sup>) to ship by FedEx a petition for review (let alone make a good faith attempt to timely file a petition for review by FAX).

1.7.4 In addition, Mr. Ipek does not actually declare that he was already out of the country when his office received the Notice of Prehearing Conference or he first had actual notice of it. He just states that he was out of the country for the majority of the month (without further proof). At no time in Respondents' Petition does Mr. Ipek state why he was out of the country or provide any other indication that there were exigent

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<sup>5</sup> We do have an unauthorized letter from Sarah Martinez, which appears to have been FAXed on March 14, 2011, to OAH referencing the case number and indicating that Mr. Ipek was in Brazil and would not be returning until after April 4, 2011. However, we have no statements from Mr. Ipek accounting for his whereabouts between April 1<sup>st</sup> and April 4<sup>th</sup>. Mr. Ipek only indicates in Respondents' Petition that he was out of the country "the majority month of March."

circumstances that would have prevented his making a simple telephonic appearance.

1.7.5 With modern international telephonic capabilities, a toll free number and a WebEx account to dial into, participation by Mr. Ipek in a telephonic prehearing conference, even if he was out of the country, does not appear to the Director to be an unreasonable demand, particularly given the nature of the Division's charges and the seriousness with which the charges and the administrative proceedings ought to have been handled by Mr. Ipek.<sup>6</sup>

1.7.6 Therefore, based upon Mr. Ipek's own admissions, there does not appear to be enough evidence or other indication to rise to the level of excusable neglect by Respondents. In the absence of any credible evidence from which the Director (in his discretion) could set aside the Initial Order, the Director must conclude that the Division is entitled by reason of Respondents' default to a Final Decision and Order.

2.0 Director's Consideration of the Record on Review. After due consideration of the entire Record on Review, the Director has determined that ALJ Smith properly ordered a default under the authority granted to him by RCW 34.05.440(2). Since there was no Motion to Vacate under RCW 34.05.440(3), the Initial Order was proper. While the Initial Order was reviewable, the Respondents' Petition was untimely filed. Moreover, there does not appear to

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<sup>6</sup> Under WAC 10-08-180(1), ALJ Smith has the authority to conduct a telephonic pre-conference hearing (or by other electronic means) if the rights of the parties would not be prejudiced and if such a hearing is technically and economically feasible, in the judgment of ALJ Smith. Pursuant to WAC 10-08-180(1), Ms. Martinez' informal letter (which is not even a request but rather an unauthorized notice of unavailability) is not a proper motion for re-scheduling a prehearing conference. In addition, pursuant to WAC 10-08-180(2) and WAC 10-08-140(2), Respondents had to provide documented evidence of the reasonableness of their request for rescheduling prior to the prehearing conference.



be any circumstances from which the Director, *in his discretion*, should ignore the fact of its untimely filing. By way of Respondents' default, the Director may accept the Statement of Charges as true. Respondents are therefore liable, respectively and jointly and severally, as applicable, for all of the relief requested by the Division in its Statement of Charges.

3.0 Final Order. Pursuant to RCW 34.05.440(2), Respondents SET2GO LOANS, INC., and JAMES Y. IPEK, President, Owner, and Designated Broker, defaulted by failing to participate in the March 16, 2011 telephonic Prehearing Conference. Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth in the Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions sections of the Statement of Charges, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and RCW 19.146.223. IT IS HEREBY ORDERED AS FOLLOWS:

3.1 The license of Respondent SET2GO LOANS, INC. to conduct the business of a mortgage broker in Washington State is revoked;

3.2 The license of Respondent JAMES Y. IPEK to conduct the business of a loan originator in Washington state is revoked;

3.3 Respondent SET2GO LOANS, INC. is prohibited from participation in the conduct of affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of (10) years;

3.4 Respondent JAMES Y. IPEK is prohibited from participation in the conduct of affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of (10) years;

3.5 Respondents SET2GO LOANS, INC. and JAMES Y. IPEK must jointly and severally pay restitution to all borrowers for illegal practices of originating residential mortgage

loans from an unlicensed location, using unlicensed persons to originate residential mortgage loans, forging loan applications, failing to provide proper residential mortgage loan disclosures to borrowers, and charging unearned underwriting fees, including at least restitution of Thirteen Thousand One Hundred Seventy-Nine Dollars (\$13,179.00) to the injured borrower listed in paragraph 1.3 of the Statement of Charges, and restitution of Eleven Thousand Seventy-Five Dollars and Thirty-One Cents (\$11,075.31) to the injured borrower listed in paragraph 1.8 of the Statement of Charges;

3.6 Respondents SET2GO LOANS, INC. and JAMES Y. IPEK must jointly and severally pay to Washington State Department of Financial Institutions a fine of One Hundred Fifty-Five Thousand Five Hundred Dollars (\$155,500.00);

3.7 Respondents SET2GO LOANS, INC. and JAMES Y. IPEK must jointly and severally pay to Washington State Department of Financial Institutions an investigation fee of One Thousand Nine Hundred Twenty Dollars (\$1,920.00), calculated at Forty-Eight Dollars (\$48.00) per hour for the forty (40) staff hours accrued during said investigation; and

3.8 Respondents SET2GO LOANS, INC. and JAMES Y. IPEK must maintain records in compliance with the Mortgage Broker Practices Act (chapter 19.146 RCW) and provide the Department with the location of the books, records and other information relating to the mortgage broker business of Respondent SET2GO LOANS, INC., and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Mortgage Broker Practices Act.

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

3.10 Stay of Order. The Director has determined not to consider a petition to stay the effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

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

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3.13 Effectiveness and Enforcement of Final Order. Pursuant to the Administrative Procedures Act, at RCW 34.05.473, this Final Decision and Order shall be effective immediately upon deposit in the United States Mail.

Dated at Tumwater, Washington, on this 18<sup>th</sup> day of August, 2012

WASHINGTON STATE DEPARTMENT  
OF FINANCIAL INSTITUTIONS

By:



Scott Jarvis  
Director


**NOTICE TO THE PARTIES**

In accordance with RCW 34.05.470 and WAC 10-08-215, any Petition for Reconsideration of the FINAL DECISION AND ORDER must be filed with the Director within ten (10) days of service of the FINAL DECISION AND ORDER. It should be noted that Petitions for Reconsideration do not stay the effectiveness of the FINAL DECISION AND ORDER. Judicial Review of the FINAL DECISION AND ORDER is available to a party according to provisions set out in the Washington Administrative Procedure Act, RCW 34.05.570.

This is to certify that the FINAL DECISION AND ORDER has been served upon the following parties on April 18, 2012, by depositing a copy of same in the United States mail, postage prepaid.

WASHINGTON STATE DEPARTMENT  
OF FINANCIAL INSTITUTIONS

By:

  
Susan Putzier  
Executive Assistant to the Director

**Mailed to the following:**

**Respondents**

James Y. Ipek  
Set2Go Loans, Inc.  
2082 SE Bristol St., Ste. 218  
Newport Beach, CA 92660

**Department's Counsel**

Victor Minjares, Assistant Attorney General  
Office of the Attorney General  
1125 Washington Street SE  
PO Box 40100  
Olympia WA 98504-0100

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:

SET2GO LOANS, INC., and JAMES Y. IPEK,  
President, Owner, and Designated Broker,

Respondents.

NO. C-09-461-10-SC01

STATEMENT OF CHARGES and NOTICE OF INTENT  
TO ENTER AN ORDER TO REVOKE LICENSES,  
PROHIBIT FROM INDUSTRY, ORDER RESTITUTION,  
IMPOSE FINES, AND COLLECT INVESTIGATION FEES

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 (the Act).<sup>1</sup> After having conducted an examination and 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. **Set2Go Loans, Inc.** (Respondent Set2Go) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on August 28, 2006, and has continued to be licensed to date. Respondent Set2Go is licensed to conduct the business of a mortgage broker at one location: 2082 SE Bristol Street, Suite 218, Newport Beach, California 92660.

B. **James Yakup Ipek** (Respondent Ipek) is the President of Respondent Set2Go. Respondent Ipek was named Designated Broker of Respondent Set2Go on January 1, 2007, and has continued as Designated Broker to date.

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<sup>1</sup> Effective January 1, 2007, *as amended*.

1 **1.2 Unlicensed Location.** Respondent Set2Go is known to have conducted the business of a mortgage  
2 broker from the following unlicensed location: 2082 SE Bristol Street, Suite 218, Newport Beach, California  
3 92660. On or about November 30, 2008, Respondent Set2Go moved from their former licensed primary place  
4 of business to an unlicensed location at the above address. On or about February 25, 2009, the Department  
5 received an e-mail from Respondents advising that the company wanted to change their primary place of  
6 business on their license. Respondents did not provide the Department with the required information until on or  
7 about April 14, 2009.

8 **1.3 Unlicensed Activity.** On or about October 21, 2008, Respondent Set2Go and Respondent Ipek  
9 (Respondents) assisted borrower [REDACTED] to apply for and obtain a residential mortgage loan on property located in  
10 the State of Washington from the unlicensed location discussed above. Borrower [REDACTED] paid \$13,179 in mortgage  
11 broker fees to Respondent Set2Go. Though Respondent Ipek is listed on the loan application as the loan  
12 originator who took the application, Respondents paid an unlicensed person \$3,390.50 to originate the loan.

13 **1.4 Unlicensed Loan Origination.** Between approximately May 2007 and September 2009, Respondents  
14 permitted seven persons, none of whom were licensed by the Department as loan originators, to assist at least  
15 fourteen borrowers in applying to obtain residential mortgage loans on property located in the State of  
16 Washington.

17 **1.5 Forged Loan Applications.** On the loan applications for the above-described residential mortgage loans,  
18 Respondent Ipek's name is typed on the "Interviewer's Name" line as the loan originator, and an impression of  
19 Respondent Ipek's signature is stamped on the "Interviewer's Signature" line.

20 **1.6 Missing or Incomplete Disclosures.** In March 2009 the Department conducted an on-site examination of  
21 Respondent Set2Go. During the examination the Department reviewed eleven residential mortgage loans on  
22 property located in the State of Washington originated between December 31, 2006, and January 31, 2009. The  
23 loan file review revealed that during the relevant time period Respondent Set2Go was not making required  
24 disclosures, not making complete disclosures, or both, including:

25 //

1           **A. Mortgage Fees.** In at least eight transactions Respondent Set2Go disclosed its mortgage broker  
2 fee on line 801 of the Good Faith Estimate (GFE) instead of on line 808, incorrectly identified the fee as a loan  
3 origination fee instead of a mortgage broker fee, and did not disclose that the fee inured to the benefit of Respondent  
4 Set2Go. In addition, in at least nine transactions Respondent Set2Go did not specify that the processing,  
5 administrative, and application fees disclosed on the GFE inured to the benefit of Respondent Set2Go.

6           **B. Yield Spread Premium.** In at least seven transactions Respondent Set2Go did not accurately  
7 disclose the Yield Spread Premium on the GFE. In addition, in at least one transaction Respondent Set2Go did not  
8 disclose on the GFE that a Yield Spread Premium would be charged.

9           **C. Truth in Lending.** In at least six transactions Respondent Set2Go did not provide complete and  
10 accurate Truth in Lending disclosures.

11           **D. Rate Locks.** In at least nine transactions Respondent Set2Go did not provide the required rate lock  
12 disclosure, did not provide the required rate lock agreement, or provided an incomplete rate lock agreement.

13           **E. Loan Originator License Numbers.** In at least eleven transactions Respondent Set2Go did not  
14 disclose the loan originator's license number on the application.

15           **F. Written Notice of Borrower Paid Services.** In at least nine transactions Respondent Set2Go did  
16 not provide the required Written Notice of Borrower Paid Services.

17           **G. Variable Rate Loans.** In at least two transactions Respondent Set2Go did not provide the  
18 required variable rate loan disclosure.

19 **1.7 Recordkeeping.** The examination further revealed that during the relevant time period Respondents did  
20 not comply with the recordkeeping requirements in the Act, including:

21           **A. Loan Files.** Respondents were unable to produce at least two loan files involving residential  
22 mortgage loans on property located in the State of Washington.

23           **B. Loan Documents.** Respondents were unable to produce required loan documents, including Good  
24 Faith Estimates and Truth in Lending disclosures, on at least two different loan files involving residential mortgage  
25 loans on property located in the State of Washington.



1 C. **Advertising Records.** Respondents were unable to produce records relating to its advertising.

2 1.8 **Unearned Underwriting Fee.** On or about January 23, 2008, Respondents assisted borrower [REDACTED] to  
3 apply for and obtain a residential mortgage loan on property located in the State of Washington. Borrower [REDACTED]  
4 paid \$11,075.31 in mortgage broker fees to Respondents, including \$800 as a “broker underwriting fee.”

5 1.9 **Failure to Notify the Department of Significant Developments.** Respondents were required by the Act  
6 to notify the Department either prior to or after certain significant developments. Respondents did not make the  
7 required notifications in four situations, as follows:

8 A. **Change of Principal Place of Business.** On or about November 30, 2008, Respondent Set2Go  
9 moved from their licensed location to an unlicensed location. Respondents were required to notify the  
10 Department of the change in their location at least 10 days prior to the change in location. Respondents initially  
11 notified the Department by e-mail approximately 2 months and 26 days after the change in location, and did not  
12 complete the notification process until approximately 4 months and 15 days after the change.

13 B. **Expiration of Corporate License.** Respondent Set2Go’s corporate license, maintained with the  
14 State of Washington Secretary of State, expired on or about March 31, 2010, and has been reported as “inactive”  
15 since on or about July 1, 2010. Respondents were required to notify the Department of the change in their standing  
16 with the Washington Secretary of State within at most 10 days after the change in standing. As of the date of this  
17 Statement of Charges, Respondents have not notified the Department of the change in standing.

18 C. **Administrative Enforcement Actions: Connecticut.**

19 1. On or about September 28, 2009, the Banking Commissioner of the State of Connecticut  
20 issued to Respondent Set2Go a Temporary Order to Cease and Desist, Order of Summary  
21 Suspension, Notice of Intent to Revoke Mortgage Broker License, Notice of Intent to Issue Order  
22 to Cease and Desist, and Notice of Hearing (Temporary Order). The Temporary Order asserted  
23 that Respondent Set2Go’s surety bond had expired. Respondents Set2Go and Ipek were required  
24 to notify the Department in writing of the administrative action by the State of Connecticut within  
25 at most 10 business days after the administrative action occurred. Respondents did not notify the  
Department of the Connecticut administrative action until around January 7, 2010, when they  
responded to a Department inquiry concerning the matter. Their notification was received  
approximately 3 months and 10 days after the administrative action occurred.

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1 2. On or about October 28, 2009, the Banking Commissioner of the State of Connecticut issued  
2 an Order Revoking Mortgage Broker License and Order to Cease and Desist (Final Order) to  
3 Respondent Set2Go. The Final Order found that Respondent Set2Go did not respond to the  
4 Temporary Order, revoked Respondent Set2Go's license to act as a mortgage broker in  
5 Connecticut, and ordered Respondent Set2Go to cease and desist operating a mortgage broker in  
6 Connecticut without a surety bond. Respondents Set2Go and Ipek were required to notify the  
7 Department in writing of the administrative action by the State of Connecticut within at most 10  
8 business days after the administrative action occurred. Respondents did not notify the Department  
9 of the Connecticut administrative action until around January 7, 2010, when they responded to a  
10 Department inquiry concerning the matter. Their notification was received approximately 2  
11 months and 10 days after the administrative action occurred.

7 **D. Administrative Enforcement Actions: Michigan.**

8 1. On or about June 16, 2009, the Commissioner of the Office of Financial and Insurance  
9 Regulation of the State of Michigan issued to Respondent Set2Go a Notice of Intention to Revoke  
10 First Mortgage Broker and Lender License and Opportunity for Hearing (Notice). The Notice  
11 alleged that Respondent Set2Go had violated the Michigan Mortgage Brokers, Lenders, and  
12 Servicers Licensing Act by refusing to provide required information in response to a consumer  
13 complaint. Respondents Set2Go and Ipek were required to notify the Department in writing of the  
14 administrative action by the State of Michigan within at most 10 business days after the  
15 administrative action occurred. As of the date of this Statement of Charges Respondents have not  
16 notified the Department of the Michigan Notice.

13 2. On or about July 2, 2010, the Commissioner of the Office of Financial and Insurance  
14 Regulation of the State of Michigan issued to Respondent Set2Go a Final Order to Revoke First  
15 Mortgage Broker and Lender License (Final Order). The Final Order found that Respondent  
16 Set2Go did not respond to the Notice and revoked Respondent Set2Go's license to act as a  
17 mortgage broker in Michigan, and further prohibited Respondent Set2Go from engaging in any  
18 activity under the Michigan Mortgage Brokers, Lenders, and Servicers Licensing Act without first  
19 obtaining a license from the Commissioner. Respondents Set2Go and Ipek were required to notify  
20 the Department in writing of the administrative action by the State of Michigan within at most 10  
21 business days after the administrative action occurred. As of the date of this Statement of Charges  
22 Respondents have not notified the Department of the Michigan Final Order.

19 **1.10 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
20 Respondents is continuing.

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

22 **2.1 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in  
23 Section I above, Respondents are in apparent violation of RCW 19.146.200 for engaging in the business of a  
24 mortgage broker from an unlicensed location and for the unlicensed loan originator activity.

25 //

1 **2.2 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
2 apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme, device or  
3 artifice to defraud or mislead any person, engaging in an unfair or deceptive practice toward any person, and  
4 obtaining property by fraud or misrepresentation from any person by forging residential mortgage loan  
5 documents, not properly disclosing fees and costs, making no or incomplete disclosures, using unlicensed loan  
6 originators, and charging unearned fees.

7 **2.3 Compliance with Federal Statutes and Regulations.** Based on the Factual Allegations set forth in  
8 Section I above, Respondents are in apparent violation of RCW 19.146.0201(6) and (11) by failing to comply  
9 with the requirements of the Truth in Lending Act, 15 U.S.C. Sec. 1601 and Regulation Z, 12 C.F.R. Sec. 226,  
10 by failing to provide complete and accurate disclosures; are in apparent violation of the Federal Trade  
11 Commission Act, 12 C.F.R. Part 203, 15 U.S.C. Sec. 45(a), by engaging in an unfair or deceptive act or practice  
12 in trade or commerce; and are in apparent violation of the Real Estate Settlement Procedures Act, 12 U.S.C.  
13 §2601 and Regulation X, 24 C.F.R. §3500, by failing to disclose to borrowers the fees which inured to the  
14 benefit of Respondents on the GFE, and by collecting unearned underwriting fees.

15 **2.4 Requirement to Disclose Residential Mortgage Loan Fees.** Based on the Factual Allegations set  
16 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(6) and (15) for not making  
17 disclosures to loan applicants as required by RCW 19.146.030 by failing to provide borrowers with full written  
18 disclosures containing an itemization and explanation of all fees and costs that the borrowers were required to  
19 pay in connection with obtaining a residential mortgage loan.

20 **2.5 Requirement to Make Other Disclosures.** Based on the Factual Allegations set forth in Section I  
21 above, Respondents are in apparent violation of RCW 19.146.0201(6) and (15) for not making disclosures to loan  
22 applicants as required by RCW 19.146.030, including the Yield Spread Premium disclosures required by  
23 WAC 208-660-430(5) and by the Real Estate Settlement Procedures Act, 12 U.S.C. §2601 and Regulation X, 24  
24 C.F.R. §3500; the Truth in Lending disclosures required by the Truth in Lending Act, 15 U.S.C. Sec. 1601 and  
25 Regulation Z, 12 C.F.R. Sec. 226; the rate lock disclosures required by RCW 19.146.030(2)(c), (2)(e), and (3); the

1 loan originator license number disclosure required by WAC 208-660-350(24); the written disclosure concerning  
2 borrower-paid services required by RCW 19.146.030(2)(d); and the written disclosure concerning variable rate  
3 loans as required by RCW 19.146.030(2)(a).

4 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Based on the Factual  
5 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.060 and  
6 WAC 208-660-450 for failing to maintain accurate and current books and records readily available to the  
7 Department until at least twenty-five months have elapsed following the effective period to which the books and  
8 records relate, including but not limited to loan files, loan documents, and advertising.

9 **2.7 Requirement to Notify Department of Significant Developments.** Based on the Factual Allegations  
10 set forth in Section I above, Respondents are in apparent violation of WAC 208-660-400(7)(a)(i), (7)(b)(iii), and  
11 WAC 208-660-400(21) for failing to timely notify the Director in writing of the change in Respondent Set2Go's  
12 principal place of business, the expiration of its corporate license, and the administrative actions.

### 13 **III. AUTHORITY TO IMPOSE SANCTIONS**

14 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2)(e), the Director may revoke licenses  
15 for any violation of the Act.

16 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may issue an  
17 order prohibiting from participation in the affairs of a licensed mortgage broker any officer, principal,  
18 employee, or loan originator of any licensed mortgage broker for any violation of RCW 19.146.0201(1) through  
19 (9), RCW 19.146.030 through 19.146.080, or RCW 19.146.200.

20 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2)(e), the Director may order restitution  
21 against licensees or other persons subject to the Act for any violation of the Act.

22 **3.4 Authority to Impose Fines.** Pursuant to RCW 19.146.220(2)(e), the Director may impose fines on a  
23 licensee or other persons subject to the Act for any violation of the Act.

24 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and  
25 WAC 208-660-550(4), the Department may collect the costs of any investigation of alleged violations of the Act.

1 **IV. NOTICE OF INTENT TO ENTER ORDER**

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

- 6 **4.1** Respondent Set2Go Loans, Inc.'s license to conduct the business of a mortgage broker be revoked; and
- 7 **4.2** Respondent James Yakup Ipek's license to conduct the business of a loan originator be revoked; and
- 8 **4.3** Respondent Set2Go Loans, Inc. be prohibited from participation in the conduct of the affairs of any  
9 mortgage broker subject to licensure by the Director, in any manner, for a period of ten (10) years; and
- 10 **4.4** Respondent James Yakup Ipek be prohibited from participation in the conduct of the affairs of any  
11 mortgage broker subject to licensure by the Director, in any manner, for a period of ten (10) years; and
- 12 **4.5** Respondents Set2Go Loans, Inc. and James Yakup Ipek jointly and severally pay restitution to all  
13 borrowers for illegal practices of originating residential mortgage loans from an unlicensed location, using  
14 unlicensed persons to originate residential mortgage loans, forging loan applications, failing to provide  
15 proper residential mortgage loan disclosures to borrowers, and charging unearned underwriting fees,  
16 including at least \$13,179 restitution to the injured borrower listed in paragraph 1.3 and \$11,075.31  
17 restitution to the injured borrower listed in paragraph 1.8; and
- 18 **4.6** Respondents Set2Go Loans, Inc. and James Yakup Ipek jointly and severally pay a fine which as the date  
19 of these charges totals \$155,500; and
- 20 **4.7** Respondents Set2Go Loans, Inc. and James Yakup Ipek jointly and severally pay an investigation fee  
21 which as of the date of these charges totals \$1,920 calculated at \$48.00 per hour for the forty (40) staff  
22 hours; and
- 23 **4.8** Respondents Set2Go Loans, Inc. and James Yakup Ipek maintain records in compliance with the Act and  
24 provide the Department with the location of the books, records and other information relating to  
25 Respondent Set2Go Loans, 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.

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1 **V. AUTHORITY AND PROCEDURE**

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

8  
9 Dated this 28<sup>th</sup> day of October, 2010.

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

13 Presented by:

14   
15 ANTHONY W. CARTER  
16 Enforcement Attorney



17 Approved by:

18   
19 JAMES R. BRUSSELBACK  
20 Enforcement Chief