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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:

NO. C-10-127-10-FO01

AAA WORLDWIDE FINANCIAL COMPANY, and
TERRENCE MORRIS, Designated Broker,
Respondents.

FINAL ORDER

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 May 13, 2010, the Director, through Consumer Services Division Director, Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (Statement of Charges) against Respondent AAA Worldwide Financial Company (Respondent AAA) and Respondent Terrence Morris (Respondent Morris). 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 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for a Brief Adjudicative Proceeding. The Department served the Statement of Charges, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for a Brief Adjudicative Proceeding (Statement of Charges) on Respondents, on May 13, 2010, by First-Class mail and Federal Express overnight delivery.

On May 25, 2010, the documents sent via Federal Express overnight delivery were returned to the Department as undeliverable. On May 26, 2010, the documents sent via First-Class mail were returned as undeliverable by the U.S. Postal Service. The Department served the Statement of Charges

1 on Respondent AAA and Respondent Morris by sending packages containing the documents to
2 AAA's Registered Agent at 232 174th Place NE, Bellevue, Washington 98008 (174th Pl. NE) by First-
3 Class mail and via Federal Express overnight delivery on May 25, 2010. On June 3, 2010, the
4 documents sent via Federal Express overnight delivery to the 174th Pl. NE address were returned to the
5 Department as undeliverable. The documents sent via First-Class mail to the 174th Pl. NE address
6 were not returned to the Department by the U.S. Postal Service. On June 18, 2010, the Department
7 also served the Statement of Charges on Respondent AAA and Respondent Morris by sending
8 packages containing the documents to a new address for Respondent Morris at P.O. Box 980471, Park
9 City, Utah, 84098 (Park City) by Certified mail. The documents sent via Certified Mail were delivered
10 on June 23, 2010, and signed for by Melissa Chauvin.

12 Respondent AAA and Respondent Morris did not request a Brief Adjudicative Proceeding
13 within twenty calendar days after the Department served them with the Notice of Opportunity to
14 Defend and Opportunity for Brief Adjudicative Proceeding, as provided for in WAC 208-08-050(2).

15 B. Record Presented. The record presented to the Director's designee for her review and
16 for entry of a final decision included the following:

- 17 1. Statement of Charges;
- 18 2. Cover letter dated May 13, 2010;
- 19 3. Notice of Opportunity to Defend and Opportunity for Hearing;
- 20 4. Blank Applications for a Brief Adjudicative Proceeding; and
- 21 5. Declaration of Service dated May 13, 2010.

22 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1) the
23 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

24 II. FINAL ORDER

25 Based upon the foregoing, and the Director's designee having considered the record and
being otherwise fully advised, NOW, THEREFORE:

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A. IT IS HEREBY ORDERED, That:

- 1. Respondent AAA and Respondent Morris jointly and severally pay a fine of \$12,100; and
- 2. Respondent AAA and Respondent Morris file the 2009 Mortgage Broker Annual Report; and
- 3. Respondent AAA and Respondent Morris jointly and severally pay an investigative fee of \$48.

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 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.

C. Stay of Order. The Director's designee 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.

D. 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.

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

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

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8 DATED this 4th day of August, 2010.



9 STATE OF WASHINGTON
10 DEPARTMENT OF FINANCIAL INSTITUTIONS

11 *Deborah Bortner*

12 DEBORAH BORTNER
13 DIRECTOR
14 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:

AAA WORLDWIDE FINANCIAL COMPANY;
TERRENCE MORRIS, DESIGNATED
BROKER,

Respondents.

NO. C-10-127-10-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO IMPOSE FINE 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). 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:

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I. FACTUAL ALLEGATIONS

1.1 Respondents. AAA WorldWide Financial Company 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. At all times relevant to the Statement of Charges, Terrence Morris was the Designated Broker for the company.

1.2 Failure to File Mortgage Broker Annual Report. By March 31, 2010, Respondents were 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 Respondents have not filed the 2009 mortgage broker annual report.

1.3 Failure to File Mortgage Broker Closure Form. Respondents are required to file a completed closure form and submit a surrender request through the NMLSR. As of the date of this Statement of Charges, Respondents have not filed a completed closure form or submitted a surrender request through the NMLSR.

1 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
2 Respondents continues to date.

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

4 **2.1 Requirement to File Mortgage Broker Annual Report.** Based on the Factual Allegations set forth in
5 Section I above, Respondents are in apparent violation of RCW 19.146.290(1), WAC 208-660-250(7) and
6 WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

7 **2.2 Requirement to File Mortgage Broker Closure Form.** Based on the Factual Allegations set forth in
8 Section I above, Respondents are in apparent violation of WAC 208-660-163(18) for failing to submit a
9 surrender request through the NMLSR or failing to submit a completed departmental closure form.

10 **III. AUTHORITY TO IMPOSE SANCTIONS**

11 **3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a
12 licensee or other person subject to the Act for any violations of the Act.

13 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC
14 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject
15 to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of
16 the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person
17 devoted to the investigation.

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

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

23 **4.1** Respondents AAA WorldWide Financial Company and Terrence Morris jointly and severally pay
24 a fine of \$100 per day beginning April 1, 2010, until the date the 2009 Mortgage Broker Annual
25 Report is filed; and

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- 4.2 Respondents AAA WorldWide Financial Company and Terrence Morris jointly and severally pay an investigation fee, which as of the date of these charges is \$48 calculated at \$48 per hour for one staff hour devoted to the investigation; and
- 4.3 Respondents AAA WorldWide Financial Company and Terrence Morris file the 2009 annual report of mortgage broker activity.
- 4.4 Respondents AAA WorldWide Financial Company and Terrence Morris submit a surrender request through NMLSR and submit a completed departmental closure form.
- 4.5 Respondents AAA WorldWide Financial Company and Terrence Morris maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondent AAA WorldWide Financial Company'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.

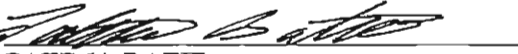
V. AUTHORITY AND PROCEDURE

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). Respondents 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 13th day of May, 2010.


 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

