

Terms Completed

ORDER SUMMARY – Case Number: C-10-276

Name(s): Voyage Financial Group Inc
W. Paul Ueckert II

Order Number: C-10-276-12-CO01

Effective Date: October 30, 2012

License Number: Ueckert-[NMLS] 10285; Voyage- [NMLS] 7531
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: none

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

Investigation Costs	\$2,640	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 10/26/12
Fine	\$7,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 10/26/12
Assessment(s)	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$10,300	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 10/24/12
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:		10		

Comments:

1 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the
2 Statement of Charges in consideration of the terms of this Consent Order.

3 Based upon the foregoing:

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

6 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
7 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
8 administrative and judicial review of the issues raised in this matter, or of the resolution reached
9 herein. Accordingly, Respondents, by the signatures below, withdraw their appeal to the Office of
10 Administrative Hearings.

11 C. **No Admission of Liability.** It is AGREED that Respondents do not admit to any
12 wrongdoing by entry of this Consent Order.

13 A. **Restitution.** It is AGREED that Respondents shall pay restitution totaling \$10,030 to the
14 borrowers and in the amounts set forth in Appendix A to this Consent Order. It is further AGREED
15 that Respondents shall issue all restitution checks within 14 days of entry of this Consent Order and
16 immediately provide the Department with copies of the checks issued. In the event that a borrower
17 cannot be found or restitution checks are not cashed within 60 days of issuance, Respondents will
18 submit the relevant funds to the Washington Department of Revenue as unclaimed property within
19 120 days of entry of this Consent Order. Respondents will bear the cost of all related expenses such
20 as costs of mailing and stopping payment on outstanding checks that are not returned or cashed.
21 Within 130 days of entry of this Consent Order, Respondents will provide the Department with proof
22 of all payments in the form of copies of the front and back of cancelled restitution checks, a copy of
23

1 any check(s) submitted to the Department of Revenue, and a copy of any unclaimed property form(s)
2 submitted to the Department of Revenue.

3 **D. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
4 \$7,500 in the form of a cashier's check made payable to the "Washington State Treasurer," upon
5 entry of this Consent Order.

6 **E. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
7 investigation fee of \$2,640 in the form of a cashier's check made payable to the "Washington State
8 Treasurer" upon entry of this Consent Order. The Fine and Investigation Fee may be paid together in
9 one \$10,140 cashier's check made payable to the "Washington State Treasurer."

10 **F. Authority to Execute Order.** It is AGREED that the undersigned have represented and
11 warranted that they have the full power and right to execute this Consent Order on behalf of the
12 parties represented.

13 **G. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
14 abide by the terms and conditions of this Consent Order may result in further legal action by the
15 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
16 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

17 **H. Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily
18 entered into this Consent Order, which is effective when signed by the Director's designee.

19 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
20 this Consent Order in its entirety and fully understand and agree to all of the same.

21 //

22 //

23 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

RESPONDENTS:

Voyage Financial Group, Inc.

By:

/s/
W. Paul Ueckert
President

10/24/2012
Date

/s/
W. Paul Ueckert
Individually

10/24/2012
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 30th DAY OF October 2012

/s/
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

/s/
Steven C. Sherman
Financial Legal Examiner Supervisor

Approved by:

/s/
Charles E. Clark
Enforcement Chief

1
2
3
4
5
6
7
8

**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:

VOYAGE FINANCIAL GROUP, INC., and
W. PAUL UECKERT, II,
President, Owner, Designated Broker, and Loan
Originator,

Respondents.

No. C-10-276-12-SC01

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

9
10
11
12
13
14
15

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). After having conducted an investigation
pursuant to RCW 19.146.235, and based upon the facts available as of 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:

16
17
18
19
20
21
22
23

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. **Voyage Financial Group, Inc. (Voyage)** was licensed by the Department of
Financial Institutions of the State of Washington (Department) to conduct business as a mortgage
broker on or about July 22, 2008, and continues to be licensed to date. Respondent Voyage is
licensed to conduct business from its main office in Sacramento, California, and one branch located
in Provo, Utah.

1 **B. W. Paul Ueckert, II, (Ueckert)** is President, Owner, and Designated Broker of
2 Respondent Voyage. Respondent Ueckert was named Designated Broker of Respondent Voyage on
3 July 22, 2008, and continues to be Designated Broker to date. Respondent Ueckert was also licensed
4 to conduct business as a loan originator on or about July 22, 2008, and continues to be licensed to
5 date.

6 **1.2 Examination.** In or about May 2010, the Department examined Respondents' books and
7 records for the period of July 22, 2008, through March 31, 2010. The Department reviewed 36
8 residential mortgage loan files; each originated by Respondent Ueckert.

9 **1.3 Failure to Maintain Funds in Trust.** At the time of initial licensure, Respondents provided
10 the Department with a notarized "Washington Mortgage Broker Trust Monies Alternative Certificate
11 of Compliance" containing the following language:

12 "I, the undersigned, designated broker of the above listed entity, an applicant for licensing
13 under chapter 19.146 RCW, The Mortgage Broker Practices Act (the "Act"), certify that I
14 have read and understand RCW 19.146.050 and WAC 208-660-410, containing the
15 requirements for the management of borrowers' funds. I realize that any violation of this
16 section of the Act is a Class C Felony.

17 I further warrant that the above company and its principals, mortgage brokers, employees,
18 loan originators, and independent contractors will not, at any time, up to and including the
19 closing of a loan and disbursement of any monies associated with the loan, accept monies
20 from a borrower, or from a third-party (e.g., an escrow agent) on behalf of a borrower, for the
21 purposes of payment for services (e.g., an appraisal or credit report) provided by third
22 parties."

23 Based upon the representation, Respondents were not required to maintain, and did not maintain, a
24 trust account. In spite of Respondents' certification, Respondents received monies from escrow for
the payment of credit reports in at least 28 of the 36 residential loan files examined.

1.4 Charging Unearned Fees. In one loan, Respondents charged an underwriting fee of \$725.
Respondents, however, were not acting as the lender and had no authority to conduct underwriting.

The underwriting fee was not disclosed on the initial Good Faith Estimate nor disclosed at least three

1 business days before closing and resulted in an unexplained increase in fees benefitting Respondents.

2 In nine other loans, Respondents charged both a loan origination fee and a mortgage broker fee.

3 **1.5 Advertising Violations.¹**

4 **A. Using Advertisements Suggesting Association with a Government Agency or**
5 **Other Entity.** Respondents used at least two direct mail advertisements, using the format of a
6 business letter, suggesting an affiliation with the United States Department of Housing and Urban
7 Development and with the borrowers' current lender. On both advertisements, Respondents
8 displayed a logo with the inscription "U.S. Department of Housing and Urban Development."
9 Respondents also displayed an identification number on the advertisements with the prefix: "FHA
10 Number" in bold and upper case letters. In the body of the "letter," Respondents invited the
11 borrower to participate in an "FHA Interest Rate Reduction Program" and urged the borrowers to
12 contact a "personal FHA representative." In the area of the "letter" generally reserved for the
13 signature of the sender, the Company used the terms "FHA Rate Reduction Department" and "FHA
14 Specialists." Additionally, in the top right area of the "letter" generally used for the name of the
15 sender, Respondents listed the name of the borrowers' current lender; giving the impression that the
16 current lender sent the advertisement.

17 Finally, in one of the advertisements Respondents names are not present at all; increasing the
18 impression that the advertisement is from the addressee's lender. In the second advertisement,
19 Respondent Voyage's name appears only at the bottom of the advertisement in fine print. On the
20 envelope for both advertisements, the name of the borrowers' current lender appears in the area
21 generally used for the name of the sender.

22
23 _____
24 ¹ The advertisements in question were obtained through consumer complaints 31132 and 34124 and reviewed as part of the examination.

1 **B. Failing to Disclose Source of Current Loan Information.** In both advertisements,
2 Respondents referenced the name of the borrowers' current lender but did not disclose the source of
3 this information. Additionally, in one of the advertisements Respondents did not did not include a
4 statement that they were not affiliated with the lender; and in the second advertisement Respondents
5 included the statement of non-affiliation in a type font significantly smaller than the rest of the
6 advertisement.²

7 **C. Failing to Disclose Terms.** In both advertisements, Respondents disclosed a "30
8 Year Fixed Rate" repayment period, but did not disclose the amount or percentage of any down
9 payment. In one of the advertisements, Respondents also did not disclose the annual percentage rate,
10 using that term, and in the second advertisement Respondents disclosed the annual percentage rate
11 but used the term "APR" instead of "annual percentage rate."

12 **1.6 Failure to Properly Make Rate Lock Disclosures.** In at least 26 loans, Respondents did
13 not properly make rate lock disclosures by either not providing the disclosure or by neglecting to
14 retain proof of timely providing the disclosure.

15 **1.7 Failure to Properly Deliver Rate Lock-in Agreements.** In at least 29 loans, Respondents
16 did not properly deliver the rate lock-in agreement by not providing the agreement, not properly
17 completing the agreement, or neglecting to retain proof that the agreement was provided.

18 **1.8 Failure to Specify Fees Inuring to Respondents' Benefit.** In at least 25 loans, Respondents
19 did not specify within three business days of receiving an application all fees inuring to
20 Respondents' benefit.

21
22
23 _____
² This change appears to have been made in response to a Resolution and Request for Action issued by the Department
concerning a similar advertisement.

1 **1.9 Failure to Display Loan Originator License Number.** Respondent Ueckert is listed on the
2 applications for all 36 loans as the loan originator. In every loan, Respondent Ueckert did not
3 display his loan originator license number on the application(s).

4 **1.10 Failure to Provide Written Notice on Borrower Paid Services.** In all 36 loans,
5 Respondents did not provide the borrower with a written notice stating that if the borrower is unable
6 to obtain a loan for any reason, the mortgage broker must, within five days of a written request by
7 the borrower, give copies of any appraisal, title report, or credit report paid for by the borrower to
8 the borrower, and transmit the appraisal, title report, or credit report to any other mortgage broker or
9 lender to whom the borrower directs the documents to be sent.

10 **1.11 Failure to Properly Disclose the Yield Spread Premium.** In at least 17 loans, Respondents
11 did not properly disclose a Yield Spread Premium by not using the words “yield spread premium,”
12 by not expressing the Yield Spread Premium as a dollar amount or dollar amount range, or both.

13 **1.12 Failure to Maintain Books and Records.** In at least four loans, Respondents did not
14 maintain all documents in the file. Additionally, to the extent that Respondents may claim they
15 provided documents which the Department was unable to locate in the loan file, Respondents have
16 failed to properly maintain those documents.

17 **1.13 Complaint 038105.** In addition to the advertisements alleged in section 1.5, the Department
18 received a consumer complaint in which Respondents represented they were a “HUD approved
19 Direct Lender.” Respondents, however, are not licensed in Washington to conduct business as a
20 lender for residential mortgage loans. The advertisement also discloses information about the
21 borrower’s current loan, but does not specify the source of the information. Additionally, the
22 advertisement discloses a “30 Year Fixed Rate” repayment period, but does not disclose the amount
23

1 or percentage of any down payment. Finally, Respondents disclosed the annual percentage rate but
2 used the term “APR” instead of “annual percentage rate.”

3 **1.14 On-Going Investigation.** The Department’s investigation into the alleged violations of the
4 Act by Respondents continues to date.

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

6 **2.1 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed
7 mortgage broker is liable for any conduct violating the Act by the designated broker or a loan
8 originator while employed or engaged by the licensed mortgage broker.

9 **2.2 Responsibility for Accuracy of Advertising Material.** Pursuant to WAC 208-660-440(1),
10 a licensed mortgage broker is responsible for ensuring that all advertising material is in compliance
11 with the Act.

12 **2.3 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(4), every licensed
13 mortgage broker must at all times have a designate broker responsible for all activities of the
14 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or
15 owner who has supervisory authority over a mortgage broker is responsible for a licensee’s,
16 employee’s, or independent contractor’s violations of the Act if: the designated broker, principal, or
17 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows
18 the conduct; or the designated broker, principal, or owner who has supervisory authority over the
19 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have
20 known of the conduct, at a time when its consequences can be avoided or mitigated and fails to take
21 reasonable remedial action.

22 **2.4 Requirement to Maintain Funds for Payment of Third-Party Providers in Trust.** Based
23 on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of

1 RCW 19.146.0201(2) and RCW 19.146.050 for failing to deposit funds received from a borrower or
2 on behalf of a borrower for payment of third-party provider services into a trust account of a
3 federally insured financial institution located in this state, prior to the end of the third business day
4 following receipt of such monies.

5 **2.5 Prohibition against Charging Unearned Fees.** Based on the Factual Allegations set forth
6 in Section I above, Respondents are in apparent violation of RCW 19.146.0201(2), (3), and (7),
7 WAC 208-660-006, and WAC 208-660-500(9) for charging an underwriting fee and for charging
8 borrowers both a loan origination fee and mortgage broker fee in the same transaction

9 **2.6 Prohibition against Charging Undisclosed Fees.** Based on the Factual Allegations set
10 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(2), (3), (6),
11 (13), and (15) and RCW 19.146.030(4) for charging a fee that was not disclosed at least three
12 business days before closing .

13 **2.7 Prohibition against Deceptive Advertising.** Based on the Factual Allegations set forth in
14 Section I above, Respondents are in apparent violation of RCW 19.146.0201(2), (7), and (11) and
15 WAC 208-660-440(2), (9), and (10) for the advertising violations more specifically set forth in
16 sections 1.5 and 1.11.

17 **2.8 Requirement to Properly Make Rate Lock Disclosures.** Based on the Factual Allegations
18 set forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(2), (6), and
19 (15) and RCW 19.146.030(2) for failing to properly disclose rate lock agreements.

20 **2.9 Requirement to Properly Deliver Rate Lock-in Agreement.** Based on the Factual
21 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
22 19.146.0201(2), (6), and (15) and RCW 19.146.030(2) for failing to properly deliver rate lock-in
23 agreements.

1 **2.10 Requirement to Specify Fees Inuring to Respondents' Benefit.** Based on the Factual
2 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
3 19.146.0201(2), (3), (6), (13), and (15) and RCW 19.146.030(1) for failing to specify within three
4 business days of receiving an application all fees inuring to Respondents' benefit.

5 **2.11 Requirement to Display Loan Originator License Number.** Based on the Factual
6 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
7 19.146.0201(2) and WAC 208-660-350(23) for failing to disclose Respondent Ueckert's loan
8 originator license number on applications.

9 **2.12 Requirement to Provide Written Notice on Borrower Paid Services.** Based on the
10 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
11 19.146.0201(2), (6), and (15) and RCW 19.146.030(2) for failing to provide the borrower with a
12 written notice stating that if the borrower is unable to obtain a loan for any reason, the mortgage
13 broker must, within five days of a written request by the borrower, give copies of any appraisal, title
14 report, or credit report paid for by the borrower to the borrower, and transmit the appraisal, title
15 report, or credit report to any other mortgage broker or lender to whom the borrower directs the
16 documents to be sent.

17 **2.13 Requirement to Properly Disclose the Yield Spread Premium.** Based on the Factual
18 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
19 19.146.0201(2) and WAC 208-660-430(5) failing to disclose the Yield Spread Premium by using
20 that term and by failing to express it as a dollar amount or dollar amount range.

21 **2.14 Requirement to Maintain Accurate and Current Books and Records.** Based on the
22 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
23 19.146.0201(2), RCW 19.146.060, and WAC 208-660-450 for failing to keep all books and records

1 in a location that is on file with and readily available to the Department until at least 25 months have
2 elapsed following the effective period to which the books and records relate.

3 **III. AUTHORITY TO IMPOSE SANCTIONS**

4 **3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
5 against a licensee or other persons subject to the Act for any violation of the Act.

6 **3.2 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
7 restitution against licensees or other persons subject to the Act for any violation of the Act.

8 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
9 520(9) & (11), and WAC 208-660-550(4)(a), the Department may collect the costs of investigation.
10 The Department will charge \$48 per hour for an examiner's time devoted to an investigation of a
11 licensee or other person subject to the Act.

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

13 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660
14 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to
15 Impose Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW
16 19.146.221, and RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

17 **4.1** Respondents Voyage Financial Group, Inc. and W. Paul Ueckert, II jointly and
18 severally pay a fine, which as of the date of this Statement of Charges totals \$25,000.

19 **4.2** Respondents Voyage Financial Group, Inc. and W. Paul Ueckert, II jointly and
20 severally pay restitution totaling \$20,875.96 to the borrowers identified in Appendix
21 A of this Statement of Charges.

22 **4.3** Respondents Voyage Financial Group, Inc. and W. Paul Ueckert, II jointly and
23 severally pay an investigation fee, which as of the date of this Statement of Charges
24 totals \$2,640.

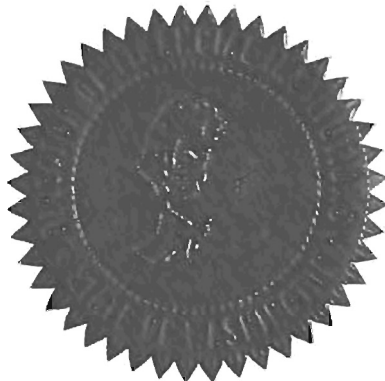
//

//

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
3 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter
4 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a
5 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
6 HEARING accompanying this Statement of Charges.

7
8 Dated this 7th day of March, 2012



9
10
11 DEBORAH BORTNER
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:



16 STEVEN C. SHERMAN
17 Financial Legal Examiner

18 Approved by:



19 JAMES R. BRUSSELBACK
20 Enforcement Chief

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

RESTITUTION

Borrower	Loan Number	Amount
[REDACTED]	[REDACTED]	\$3,720.00
[REDACTED]	[REDACTED]	\$2,425.00
[REDACTED]	[REDACTED]	\$ 725.00
[REDACTED]	[REDACTED]	\$2,740.00
[REDACTED]	[REDACTED]	\$1,250.00
[REDACTED]	[REDACTED]	\$ 705.96
[REDACTED]	[REDACTED]	\$2,625.00
[REDACTED]	[REDACTED]	\$ 2,085.00
[REDACTED]	[REDACTED]	\$2,500.00
[REDACTED]	[REDACTED]	\$2,100.00
	TOTAL	\$20,875.96