

**ORDER SUMMARY – Case Number: C-10-405**

**Name(s):** Noah Savings Mortgage Inc.  
Thao “Thomas” Dinh Duong

**Order Number:** C-10-405-13-FO01

**Effective Date:** May 8, 2013

**License Number:** NMLS #978202  
**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:**  
\_\_\_\_\_  
\_\_\_\_\_

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

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

**Prohibition/Ban Until:** May 8, 2018

<b>Investigation Costs</b>	\$1022.40	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$6,000	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>	\$4,500	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:	2			

**Comments:**  
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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-10-405-13-FO01

FINAL ORDER

NOAH SAVINGS MORTGAGE  
and THAO "THOMAS" DINH DUONG  
(NMLS #978202),

Respondents.

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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 (Director's designee), pursuant to RCW 34.05.440(1). On March 28, 2013, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist Business, Prohibit From Industry, Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) against Noah Savings Mortgage and Thao "Thomas" Dinh Duong (Respondents). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated March 28, 2013, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondents (collectively, accompanying documents).

On March 28, 2013, the Department served Respondents with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery. On March 29,

1 2013, the documents sent by Federal Express overnight delivery were delivered. The documents sent  
2 by First-Class mail were not returned to the Department by the United States Postal Service.

3 Respondents did not request an adjudicative hearing within twenty calendar days after the  
4 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for  
5 in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for her review and  
7 for entry of a final decision included the Statement of Charges, cover letter dated March 28, 2013,  
8 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for  
9 Adjudicative Hearing for Respondents, with documentation of service.

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

## 12 II. FINAL ORDER

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

15 A. IT IS HEREBY ORDERED, That:

- 16 1. Respondents Noah Savings Mortgage and Thao "Thomas" Dinh Duong cease and  
17 desist engaging in the business of a mortgage broker or loan originator.
- 18 2. Respondents Noah Savings Mortgage and Thao "Thomas" Dinh Duong are  
19 prohibited from participation, in any manner, in the conduct of the affairs of any  
20 mortgage broker subject to licensure by the Director for a period of five years.
- 21 3. Respondents Noah Savings Mortgage and Thao "Thomas" Dinh Duong jointly and  
22 severally pay restitution to the two consumers identified by the Department in  
23 paragraph 1.2 of the Statement of Charges in the total amount of \$4,500.
- 24 4. Respondents Noah Savings Mortgage and Thao "Thomas" Dinh Duong jointly and  
severally pay a fine of \$6,000.
5. Respondents Noah Savings Mortgage and Thao "Thomas" Dinh Duong jointly and  
severally pay an investigation fee of \$1,022.40.

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2 6. Respondents Noah Savings Mortgage and Thao “Thomas” Dinh Duong maintain  
3 records in compliance with the Act and provide the Department with the location of  
4 the books, records and other information relating to Respondents’ provision of  
residential mortgage loan modification services in Washington, and the name,  
address and telephone number of the individual responsible for maintenance of such  
records in compliance with the Act.

5 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a  
6 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
7 must be filed in the Office of the Director of the Department of Financial Institutions by courier at  
8 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,  
9 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The  
10 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
11 Reconsideration a prerequisite for seeking judicial review in this matter.

12 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the  
13 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a  
14 written notice specifying the date by which it will act on a petition.

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

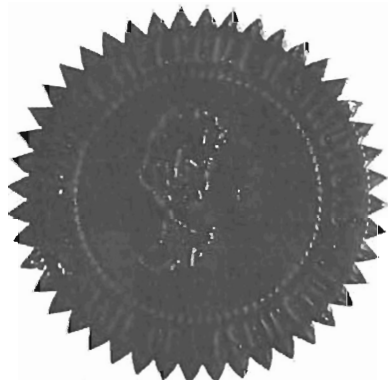
18 D. Judicial Review. Respondents have the right to petition the superior court for judicial  
19 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
20 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

21 E. Non-compliance with Order. If you do not comply with the terms of this order,  
22 **including payment of any amounts owed within 30 days of receipt of this order**, the Department  
23 may seek its enforcement by the Office of the Attorney General to include the collection of the fines,

1 fees, and restitution imposed herein. The Department also may assign the amounts owed to a  
2 collection agency for collection.

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

6 DATED this 8th day of <sup>DB</sup>~~April~~ <sup>May</sup>, 2013



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8 STATE OF WASHINGTON  
9 DEPARTMENT OF FINANCIAL INSTITUTIONS  
10 [Redacted Signature]  
11 DEBORAH BORTNER  
12 Director  
13 Division of Consumer Services  
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**STATE OF WASHINGTON  
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IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

NOAH SAVINGS MORTGAGE  
and THAO "THOMAS" DINH DUONG  
(NMLS #978202),

Respondents.

No. C-10-405-13-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO ENTER AN  
ORDER TO CEASE AND DESIST  
BUSINESS, PROHIBIT FROM  
INDUSTRY, ORDER RESTITUTION,  
IMPOSE FINE, AND COLLECT  
INVESTIGATION FEE

**INTRODUCTION**

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

**A. Noah Savings Mortgage (Respondent Noah Savings)** has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or loan originator.

**B. Thao "Thomas" Dinh Duong (Respondent Duong)** is President of Noah Savings. Respondent Duong has never been licensed by the Department to conduct business as a mortgage broker or loan originator.

1 **1.2 Unlicensed Activity.** Between at least May 1, 2009 and the date of this Statement of Charges,  
2 Respondents were offering residential mortgage loan modification services to Washington consumers  
3 on property located in Washington State. Respondents entered into a contractual relationship with at  
4 least two Washington consumers, [REDACTED]. and [REDACTED], to provide those services, and collected an advance  
5 fee for the provision of those services (\$1,500 and \$3,000, respectively). The Department has received  
6 at least two complaints from Washington consumers alleging Respondents provided or offered to  
7 provide residential mortgage loan modification services while not licensed by the Department to  
8 provide those services.

9 **1.3 Misrepresentations and Omissions.** Respondents represented that they were licensed to  
10 provide the residential mortgage loan modification services or omitted disclosing that they were not  
11 licensed to provide those services.

12 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the  
13 Act by Respondents continues to date.

## 14 **II. GROUNDS FOR ENTRY OF ORDER**

15 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,  
16 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of  
17 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan  
18 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person  
19 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a  
20 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among  
21 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

22 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a  
23 natural person who for direct or indirect compensation or gain, or in the expectation of direct or  
24 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;

1 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform  
2 any of these activities.

3 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents  
4 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice  
5 toward any person and obtaining property by fraud or misrepresentation.

6 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
7 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
8 for engaging in the business of a mortgage broker for Washington residents or property without first  
9 obtaining a license to do so.

10 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
11 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
12 for engaging in the business of a loan originator without first obtaining and maintaining a license.

13 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
14 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a  
15 location that is on file with and readily available to the Department until at least twenty-five months  
16 have elapsed following the effective period to which the books and records relate.

### 17 III. AUTHORITY TO IMPOSE SANCTIONS

18 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
19 Director may issue orders directing any person subject to the Act to cease and desist from conducting  
20 business.

21 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
22 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker  
23 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or  
24 (13), or RCW 19.146.200.



1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against any person subject to the Act for any violation of the Act.

3 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
4 against any person subject to the Act for any violation of the Act.

5 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-  
6 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted  
7 to an investigation of any person subject to the Act.

#### 8 **IV. NOTICE OF INTENT TO ENTER ORDER**

9 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as  
10 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,  
11 and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

12 **4.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

13 **4.2** Respondents be prohibited from participation, in any manner, in the conduct of the affairs of  
14 any mortgage broker subject to licensure by the Director for a period of five years.

15 **4.3** Respondents jointly and severally pay restitution to the two consumers identified by the  
16 Department in paragraph 1.2 in the amount set forth therein, and that Respondents jointly and  
17 severally pay restitution to each Washington consumer with whom they entered into a contract  
for residential mortgage loan modification services related to real property or consumers  
located in the state of Washington equal to the amount collected from that Washington  
consumer for those services in an amount to be determined at hearing.

18 **4.4** Respondents jointly and severally pay a fine, which as of the date of this Statement of Charges  
19 totals \$6,000

20 **4.5** Respondents jointly and severally pay an investigation fee, which as of the date of this  
21 Statement of Charges totals \$1,022.40.

22 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the  
23 location of the books, records and other information relating to Respondents' provision of  
24 residential mortgage loan modification services in Washington, and the name, address and  
telephone number of the individual responsible for maintenance of such records in compliance  
with the Act.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges 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 34.05  
4 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as  
5 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING  
6 accompanying this Statement of Charges.

7 Dated this 28<sup>th</sup> day of March, 2013.



8  
9 [Redacted Signature]

10 DEBORAH BORTNER  
11 Director, Division of Consumer Services  
12 Department of Financial Institutions

13 Presented by:

14 [Redacted Signature]

15 SHANA L. OLIVER  
16 Financial Legal Examiner

17 Approved by:

18 [Redacted Signature]

19 CHARLES E. CLARK  
20 Enforcement Chief