

**ORDER SUMMARY – Case Number: C-10-409**

**Name(s):** Amrani, Allal K.

**Order Number:** C-10-409-12-FO02

**Effective Date:** July 10, 2012

**License Number:** DFI: 24588 [NMLS: 9247]

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** Revocation reversed. License is expired.

**Not Apply Until:** N/A

**Not Eligible Until:** N/A

**Prohibition/Ban Until:** N/A

<b>Investigation Costs</b>	\$312	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$0	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:	0			

**Comments:** FO01 is dissolved. SOC is dismissed

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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:

ALLAL K. AMRANI,

Respondent.

NO. C-10-409-12-FO02

ORDER GRANTING PETITION FOR  
RECONSIDERATION, DISSOLVING  
FINAL ORDER DATED MARCH 25,  
2011, AND DISMISSING STATEMENT  
OF CHARGES SUBJECT TO  
CONDITIONS

COMES NOW Scott Jarvis, the Director (“Director”) of the WASHINGTON STATE DEPARTMENT OF FINANCIAL INSTITUTIONS (“Department”) and, pursuant to the Petition for Reconsideration of ALLAL K. AMRANI (“Respondent”), and for good cause shown, makes the following Findings, Conclusions and Order settling all issues in this matter:

1.0 DIRECTOR’S CONSIDERATION

This case arises from what appears to have been a good faith belief on the part of Respondent that if he engaged in no actual mortgage brokerage activity, he did not have to maintain a surety bond. This confusion was compounded by the lapse of his surety bond at a time when he appears to have been engaged in non-profit organizational pursuits unrelated to the mortgage industry outside the country (in Europe and North Africa) for an extended period of time. This appears to have resulted in his being unaware of the Department’s issuance and legal service against him, first, of a Directive, and then of a Statement of Charges in the above-entitled

matter. Indeed, it appears that Respondent was unaware of either the Directive or the subsequent Statement of Charges until after his return to the United States, whereupon he appears to have then learned that a Final Order was entered against him by default and based upon the Statement of Charges dated January 3, 2011.

Subsequently, Respondent filed with the Director a Petition for Reconsideration.

While there appears to have been some communication problems with the Department in relation to researching the merits of the Petition for Reconsideration, it appears to the Director that the Department acted in good faith and in conformity with the Mortgage Broker Practices Act, Chapter 19.146 RCW, and accompanying rules of the Department, in its issuance and service of a Directive and Statement of Charges, and, in the absence of information pointing to another choice of action, in its entry of a Final Order on March 25, 2011.

Having thoroughly reconsidered this matter, however, the Department, by and through the Director, is of the view that justice would be served if the Final Order dated March 25, 2011, is dissolved and the Statement of Charges dated January 3, 2011, is dismissed with prejudice, subject, however, to terms and conditions set forth in this new Final Order.

The Department and Respondent have been heretofore engaging in good faith to resolve this matter by stipulation and an agreed order. It appears that the Division of Consumer Services is unable to agree to Respondent's request that his license be restored, because it already expired before Respondent returned from his extended absence in Europe and North Africa. Accordingly, if Respondent seeks a license again, he will have to apply for one and be subject to all the requirements for obtaining a license.

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## 2.0 FINDINGS OF FACT

After due consideration, including the reasons set forth above, the Director makes the following relevant Findings of Fact:

2.1 Respondent was licensed by the Department to conduct business as a mortgage broker beginning July 14, 2003, and was at the time of issuance of the Statement of Charges so licensed to engage in the business of a mortgage broker at 20704 Des Moines Memorial Drive, SeaTac, Washington 98198 (“Legal Business Address”).

2.2 On or about August 9, 2010, the Department received notice from the Hartford Insurance Company that Respondent’s surety bond would be cancelled, effective September 27, 2010.

2.3 Respondent had not, as of January 3, 2011, notified the Department of the cancellation of the surety bond and had not provided the required surety bond or an approved alternative.

2.4 The Department issued a Directive to Respondent and served him by mail and by Federal Express at the Legal Business Address.

2.5 The Directive in question required Respondent to provide a surety bond or acceptable alternative.

2.6 As of January 3, 2011, the Department had not received a response to the Directive.

2.7 As of January 3, 2011, the date the Statement of Charges was issued, Respondent had not informed the Department of the cancellation of his surety bond.

2.8 The Statement of Charges, together with a Notice of Opportunity for Hearing and the form for making Application for Administrative Hearing (the “Documents”), were served by

first-class mail and by Federal Express upon Respondent at the Legal Business Address, on or about January 4, 2011. On January 19, 2011, the documents were returned by Federal Express after four (4) attempts to serve Respondent at the Legal Business Address, which was the only address that the Department then had for Respondent. The Documents sent by first-class mail were not returned to the Department by the U.S. Postal Service. On March 7, 2011, the Department was informed by the Des Moines, Washington Branch of U.S. Postal Service that mail addressed to Respondent (including, presumably, mail addressed to the Legal Business Address) was being delivered by the U.S. Postal Service to 20704 Des Moines Memorial Drive, SeaTac, Washington 98198.

2.9 More than twenty (20) days passed after service of the Documents as above set forth, and Respondent did not make Application for Administrative Hearing within that time.

2.10 Thereafter, on March 25, 2011, on account of Respondent's apparent default, a Final Order based on the Statement of Charges was issued by the Department, by and through Deborah Bortner, Director of Consumer Services.

2.11 It appears at the time of the service of the Directive, Respondent was out of the country (in North Africa and Europe) for an extended period of time.

2.12 It appears that at the time of service of the Documents, Respondent had been out of the country for an extended period of time and was unaware of the Statement of Charges.

2.13 It appears that Respondent did not learn of the existence of either the Directive or the Statement of Charges until after a Final Order was entered against him by the Department.

2.14 It appears that while the Respondent let his surety bond lapse, Respondent had not for some time (if at all) actually engaged in mortgage broker activity (notwithstanding the maintenance of his license up until its revocation in connection with this matter).

2.15 It appears that up until the existing Final Order in this matter, Respondent was under the belief that if he did not engage in actual conduct as a mortgage broker, a surety bond would not be required. This appears to have been based upon the genuine (but mistaken) belief that a surety bond is only required to protect loan customers and that, if he had no loan customers, then a bond was not required.

2.16 It appears that Respondent had constructive notice that his mortgage broker license would expire while he was out of the country.

### 3.0 CONCLUSIONS OF LAW

Based upon the Findings of Facts above, the Director makes the following Conclusions of Law:

3.1 It appears to the Director that, *in the absence of any communication from Respondent*, the Department's Division of Consumer Services acted properly in the issuance of a Directive and later a Statement of Charges.

3.2 It also appears that, *in the absence of any communication from Respondent*, the Department's Division of Consumer Services properly issued a default Final Order on March 25, 2011, in conformity with RCW 19.146.205(6)(a), WAC 208-660-175, RCW 19.146.235, WAC 208-660-400(7)(b)(vi), RCW 19.146.220(2)(c) and (d), RCW 19.146.220(5)(d), RCW 19.146.220(3)(a) and (b), WAC 208-660-530(6), RCW 19.146.228(2), WAC 208-660-520(9), WAC 208-660-550(4), and WAC 208-08-050(2).

3.3 However, the Director must weigh the propriety of the Department's conduct against the subsequent discovery of apparent facts that, *in the interest of fair play and substantial justice*, beg a different result.

3.4 The Respondent's apparent lack of *actual* notice of the Directive or the Statement of Charges, by itself and under what appears to be uncommon circumstances, inclines the Director to order dissolution of the Final Order dated March 25, 2011.

3.5 In addition, the Respondent's good faith but mistaken belief that the absence of mortgage brokerage activity excused him from maintaining a surety bond as a condition of his license, inclines the Director to order dismissal with prejudice of the Statement of Charges, provided, that Respondent complies with the conditions of his Stipulation and Consent with the Department's Division of Consumer Services.

#### 4.0 FINAL ORDER ON RECONSIDERATION

The Director having made Findings of Fact and Conclusions of Law as set forth above, IT IS HEREBY ORDERED:

4.1 The Final Order dated March 25, 2011, is dissolved.

4.2 Respondent's Mortgage Broker License is expired. Respondent may apply for another mortgage broker license, but must comply with all licensing requirements of the Mortgage Broker Practices Act, including, without limitation, the requirement to obtain and maintain a surety bond.

4.3 The previous Final Order's prohibition from practice in the mortgage broker industry based upon the Statement of Charges dated January 3, 2011, shall have no prospective validity.

4.4 The Statement of Charges dated January 3, 2011, is dismissed with prejudice, subject, however, to the requirement that Respondent pay an investigation fee as and for the cost of investigation by the Department of this matter in the amount of Three Hundred Twelve Dollars (\$312.00), in the form of a cashier's check payable to the Washington State Treasurer.

4.5 The Final Order dated March 25, 2011, shall be removed from publication and the Department's Web site.

4.6 This Order shall be immediately published by the Department's Division of Consumer Services so that it shall be reflected on the Department's Web site.

DATED this 10<sup>th</sup> day of July, 2012

WASHINGTON STATE DEPARTMENT  
OF FINANCIAL INSTITUTIONS

By: 

Scott Jarvis  
Director