

# Terms Completed

## ORDER SUMMARY – Case Number: C-11-0603

**Name(s):** Seattle Pacific Mortgage Inc; Lincoln Alan Louie

**Order Number:** C-11-0603-12-CO04

**Effective Date:** September 7, 2012

**License Numbers:** Company DFI: 20590 NMLS: 109127; Louie DFI: n/a NMLS: 109720

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)

**License Effect:** none  
If applicable, you must specifically note the ending dates of terms.

**Not Apply Until:** n/a

**Not Eligible Until:** n/a

**Prohibition/Ban Until:** n/a

<b>Investigation Costs</b>	\$1,728	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 08/30/12
<b>Fine</b>	\$20,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 08/30/12
<b>Assessment(s)</b>	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$3,043.04	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 08/29/12
<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 n/a		
No. of Victims:		1		

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

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1 **STATE OF WASHINGTON**  
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**  
3 **DIVISION OF CONSUMER SERVICES**

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

No.: C-11-0603-12-CO04

CONSENT ORDER

5 SEATTLE PACIFIC MORTGAGE, INC.,  
LINCOLN A. LOUIE, President and Designated  
6 Broker,  
ELAINE HO, Loan Originator,  
7 KEITH K. AKADO, Loan Originator, and  
YINQUN "CHRISTINA" CHEN, Loan  
8 Originator,

SEATTLE PACIFIC MORTGAGE, INC.,  
NMLS #109127,  
LINCOLN A. LOUIE,  
NMLS #109720

Respondents.

9  
10 COMES NOW the Director of the Department of Financial Institutions (Director), through his  
11 designee Deborah Bortner, Division Director, Division of Consumer Services, and Seattle Pacific  
12 Mortgage, Inc. (Respondent Seattle Pacific) and Lincoln A. Louie, President and Designated Broker  
13 (Respondent Louie), and finding that the issues raised in the above-captioned matter as they relate  
14 solely to Respondents Seattle Pacific and Louie may be economically and efficiently settled, agree to  
15 the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of the  
16 Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act,  
17 based on the following:

18 **AGREEMENT AND ORDER**

19 The Department of Financial Institutions, Division of Consumer Services (Department) and  
20 Respondents Seattle Pacific and Louie have agreed upon a basis for resolution of the matters alleged  
21 in Statement of Charges No. C-11-0603-12-SC01 (Statement of Charges), entered March 29, 2012,  
22 (copy attached hereto) solely as they relate to Respondents Seattle Pacific and Louie. Pursuant to  
23 chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the  
24 Administrative Procedure Act, Respondents Seattle Pacific and Louie hereby agree to the

CONSENT ORDER  
C-11-0603-12-CO04  
Seattle Pacific Mortgage  
Lincoln A. Louie

1

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
150 Israel Rd SW  
PO Box 41200  
Olympia, WA 98504-1200  
(360) 902-8703

1 Department's entry of this Consent Order and further agree that the issues raised in the above-  
2 captioned matter, solely as they relate to Respondents Seattle Pacific and Louie, may be  
3 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent  
4 Order to fully resolve the Statement of Charges solely as it relates to Respondents Seattle Pacific and  
5 Louie. Respondents Seattle Pacific and Louie are agreeing not to contest the Statement of Charges in  
6 consideration of the terms of this Consent Order.

7 Based upon the foregoing:

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

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

15 C. **No Admission of Liability.** It is AGREED that Respondents Seattle Pacific and Louie do  
16 not admit to any wrongdoing by entry of this Consent Order.

17 D. **Fine.** It is AGREED that Respondents Seattle Pacific and Louie shall pay a fine to the  
18 Department in the amount of \$20,000 in the form of a cashier's check made payable to the  
19 "Washington State Treasurer" upon entry of this Consent Order.

20 E. **Restitution.** It is AGREED that Respondents Seattle Pacific and Louie have paid  
21 restitution in the amount of \$3,043.04 to borrower S.V.

22 F. **Investigation Fee.** It is AGREED that Respondents Seattle Pacific and Louie shall pay to  
23 the Department an investigation fee of \$1,728 in the form of a cashier's check made payable to the

1 “Washington State Treasurer” upon entry of this Consent Order. The Fine and Investigation Fee may  
2 be paid together in one \$21,728 cashier’s check made payable to the “Washington State Treasurer.”

3 **G. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
4 warranted that they have the full power and right to execute this Consent Order on behalf of the  
5 parties represented.

6 **H. Non-Compliance with Order.** It is AGREED that Respondents Seattle Pacific and Louie  
7 understand that failure to abide by the terms and conditions of this Consent Order may result in  
8 further legal action by the Director. In the event of such legal action, Respondents Seattle Pacific and  
9 Louie may be responsible to reimburse the Director for the cost incurred in pursuing such action,  
10 including but not limited to, attorney fees.

11 **I. Voluntarily Entered.** It is AGREED that Respondents Seattle Pacific and Louie have  
12 voluntarily entered into this Consent Order, which is effective when signed by the Director’s  
13 designee.

14 **J. Completely Read, Understood, and Agreed.** It is AGREED that Respondents Seattle  
15 Pacific and Louie have read this Consent Order in its entirety and fully understand and agree to all of  
16 the same.

17 **RESPONDENTS:**

18 **Seattle Pacific Mortgage, Inc.**

19 By:

20 /s/ \_\_\_\_\_  
Lincoln A. Louie  
21 President and Designated Broker

8/29/12  
\_\_\_\_\_  
Date

22 /s/ \_\_\_\_\_  
23 Lincoln A. Louie  
Individually

8/29/12  
\_\_\_\_\_  
Date

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**DO NOT WRITE BELOW THIS LINE**

THIS ORDER ENTERED THIS 7<sup>th</sup> DAY OF September, 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 STATE OF WASHINGTON  
2 DEPARTMENT OF FINANCIAL INSTITUTIONS  
3 DIVISION OF CONSUMER SERVICES

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

7 SEATTLE PACIFIC MORTGAGE, INC.,  
8 LINCOLN A. LOUIE, President and Designated  
9 Broker,  
10 ELAINE HO, Loan Originator,  
11 KEITH K. AKADO, Loan Originator, and  
12 YINQUN "CHRISTINA" CHEN, Loan  
13 Originator,

14 Respondents.

No. C-11-0603-12-SC01

15 STATEMENT OF CHARGES and  
16 NOTICE OF INTENTION TO ENTER AN  
17 ORDER TO REVOKE LICENSES,  
18 PROHIBIT FROM INDUSTRY, ORDER  
19 RESTITUTION, IMPOSE FINES, AND  
20 COLLECT INVESTIGATION FEE

21 INTRODUCTION

22 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of  
23 Financial Institutions of the State of Washington (Director) is responsible for the administration of  
24 chapter 19.146 RCW, the Mortgage Broker Practices (Act)<sup>1</sup>. 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. Seattle Pacific Mortgage, Inc. (Seattle Pacific) was licensed by the Department of  
Financial Institutions of the State of Washington (Department) to conduct business as a mortgage  
broker on or about December 30, 1996, and continues to be licensed to date.<sup>2</sup>

<sup>1</sup> All references to RCW 19.146 are to that version in effect at the time of the alleged violation.

<sup>2</sup> Seattle Pacific Mortgage, Inc. was issued an interim license on December 30, 1996. The regular license was issued March 25, 1997.

1           **B. Lincoln A. Louie (Louie)** is President and Designated Broker of Respondent Seattle  
2 Pacific. Respondent Louie was named Designated Broker of Respondent Seattle Pacific on or about  
3 December 30, 1996, and continues to be Designated Broker to date.

4           **C. Elaine Ho (Ho)** was licensed by the Department of Financial Institutions of the State  
5 of Washington (Department) to conduct business as a loan originator on or about April 5, 2007, and  
6 continues to be licensed to date. At all times relevant to this Statement of Charges, Respondent Ho  
7 was a loan originator for Respondent Seattle Pacific.

8           **D. Keith K. Akada (Akada)** was licensed by the Department of Financial Institutions of  
9 the State of Washington (Department) to conduct business as a loan originator on or about January  
10 30, 2007, and continues to be licensed to date. At all times relevant to this Statement of Charges,  
11 Respondent Akada was a loan originator for Respondent Seattle Pacific.

12           **E. Yiqun "Christina" Chen (Chen)** was licensed by the Department of Financial  
13 Institutions of the State of Washington (Department) to conduct business as a loan originator on or  
14 about June 28, 2007, and continues to be licensed to date. At all times relevant to this Statement of  
15 Charges, Respondent Chen was a loan originator for Respondent Seattle Pacific

16 **1.2 Examination.** Between December 13, 2010, and January 7, 2011, the Department conducted  
17 an examination of the books and records of Respondent Seattle Pacific. The Department reviewed at  
18 least 59 residential mortgage loan files.

19 **1.3 Misrepresentation of Borrower Information.**

20           **A.** On or about December 11, 2008, borrower W.K.L. applied with Respondent Seattle  
21 Pacific to refinance a residence located in Bellevue, Washington. On the same day, W.K.L. applied  
22 with Respondent Seattle Pacific to purchase a residence in Kent, Washington. Respondent Ho  
23 assisted W.K.L. and prepared both the refinance application and the purchase application. On both

1 applications, Respondent Ho stated that the residence would be W.K.L.'s primary residence. On the  
2 purchase application, however, Respondent Ho stated that the Bellevue residence would be a rental.  
3 On or about February 12, the purchase of the Kent residence as W.K.L.'s primary residence closed  
4 with table-funding by U.S. Bank. In spite of that, on or about March 27, 2009, Respondent HO  
5 completed a second application for W.K.L. to refinance the Bellevue residence as a primary  
6 residence. Additionally, Respondent Ho did not disclose on this application that W.K.L. had  
7 purchased the Kent residence in February 2009. The refinance of the Bellevue residence  
8 subsequently closed with table-funding by Amtrust Bank.

9 B. On or about October 2, 2009, borrower X.Y. applied with Respondent Seattle Pacific  
10 to refinance a residence located in Bellevue, Washington. On the same day, X.Y. applied with  
11 Respondent Seattle Pacific to purchase a residence located in Issaquah, Washington. Respondent  
12 Chen assisted X.Y. and prepared both the refinance application and the purchase application. On  
13 both applications, Respondent Chen stated that the residence would be X.Y.'s primary residence.  
14 The refinance of the Bellevue residence subsequently closed as X.Y.'s primary residence on or about  
15 November 10, 2009, with table-funding by Bank of America. The purchase of the Issaquah  
16 residence subsequently closed as X.Y.'s primary residence on or about December 3, 2009, with  
17 table-funding by U.S. Bank.

18 C. On or about October 26, 2009, borrower T.D. applied with Respondent Seattle Pacific  
19 to refinance a residence located in Bothell, Washington. Respondent Akada assisted T.D. and  
20 prepared the application, stating therein that the residence would be T.D.'s primary residence. The  
21 refinance subsequently closed on or about December 1, 2009, with table-funding by U.S. Bank. The  
22 Deed of Trust for the refinance included a provision that T.D. occupy the Bothell residence for one  
23 year. In spite of this provision, on or about December 2, 2009, Respondent Akada assisted T.D. with



1 applying to Respondent Seattle Pacific for a loan to purchase a residence in Clyde Hill, Washington.  
2 Respondent Akada completed the application and stated that the Clyde Hill residence would be  
3 T.D.s primary residence and that the Bothell residence, refinanced the previous day, would be a  
4 rental. Additionally, Respondent Akada did not list the refinance loan by U.S. Bank as a liability on  
5 the purchase application. The purchase loan was subsequently closed on or about December 29,  
6 2009, with table-funding by Bank of America.

7 **1.4 Failure to Provide Variable Rate Loan Program Disclosures.** In at least six loans,  
8 Respondent Seattle Pacific did not provide borrowers with an initial loan program disclosure  
9 identifying the terms of a variable rate mortgage.

10 **1.5 Failure to Provide Washington One-Page Disclosure Summary.** In at least 19 loans,  
11 Respondent Seattle Pacific did not provide borrowers with the Washington One-Page Disclosure  
12 Summary.

13 **1.6 Failure to Provide Complete and Timely Rate Lock Disclosures.** In at least 13 loans,  
14 Respondent Seattle Pacific did not provide borrowers with a complete rate lock disclosure within  
15 three business days of application. In at least 8 of these loans there was no evidence that the rate  
16 lock disclosure had been provided at all.

17 **1.7 Failure to Provide Complete and Timely Rate Lock Agreements.** In at least 25 loans,  
18 Respondent Seattle Pacific did not provide borrowers with a complete rate lock agreement within  
19 three business days of locking the rate. In at least 13 of these loans there was no evidence that the  
20 rate lock agreement had been provided at all.

21 **1.8 Failure to Properly Disclose the Yield Spread Premium.** In at least 29 loans, Respondent  
22 Seattle Pacific did not properly disclose the Yield Spread Premium by either not identifying it by  
23 that name or by not representing it as a dollar amount or dollar range, or both.

1 **1.9 Failure to Specify Fees Inuring to the Benefit of the Mortgage Broker.** In at least 31  
2 loans, Respondent Seattle Pacific did not disclose to the borrower with three business days of  
3 application all fees inuring to Respondent Seattle Mortgage's benefit.

4 **1.10 Failure to Provide Complete and Accurate Truth-in-Lending Disclosures.** In at least 25  
5 loans, Respondent Seattle Pacific did not provide the borrowers with complete and accurate Truth-  
6 in-Lending Disclosures.

7 **1.11 Failure to Display Loan Originator License Numbers.** In at least 11 loans, the borrowers  
8 received a 1003 application that did not include the license number of the loan originator.

9 **1.12 Failure to Disclose a Yield Spread Premium.** In at least one loan, the Department was  
10 unable to find any evidence in the loan file that Respondent Seattle Pacific had disclosed a yield  
11 spread premium of \$3,043.04 to the borrower prior to the loan closing.

12 **1.13 Failure to Provide National Credit Disclosure and Notice to Home Loan Applicant**  
13 **Disclosure.** In at least 21 loans, Respondent Seattle Pacific did not provide a copy of the National  
14 Credit Disclosure and Notice to Home Loan Applicant Disclosure.

15 **1.14 Failure to Maintain Books and Records.** To the extent that Respondents Seattle Pacific  
16 and Louie may claim to have provided certain disclosures which the Department did not find in the  
17 loan file, Respondents Seattle Pacific and Louie did not properly maintain those records.

18 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the  
19 Act by Respondents continues to date.

## 20 II. GROUNDS FOR ENTRY OF ORDER

21 **2.1 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed  
22 mortgage broker is liable for any conduct violating the Act by the designated broker or a loan  
23 originator while employed or engaged by the licensed mortgage broker.

1 **2.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(4), every licensed  
2 mortgage broker must at all times have a designate broker responsible for all activities of the  
3 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or  
4 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,  
5 employee's, or independent contractor's violations of the Act if the designated broker, principal, or  
6 owner by the exercise of reasonable care and inquiry should have known of the conduct, at a time  
7 when its consequences can be avoided or mitigated and fails to take reasonable remedial action.

8 **2.3 Prohibition against Misrepresentation of Borrower Information.** Based on the Factual  
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
10 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme, device, or artifice to  
11 defraud or mislead borrowers or lenders or any person, engaging in an unfair or deceptive practice  
12 toward any person, and obtaining property by fraud or misrepresentation through the  
13 misrepresentation of borrower information on loan applications.

14 **2.4 Requirement to Provide Variable Rate Loan Program Disclosures.** Based on the Factual  
15 Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in apparent  
16 violation of RCW 19.146.0201(2), (6), and (15) and RCW 19.146.030(2) for failing to provide  
17 borrowers with variable rate loan program disclosures.

18 **2.5 Requirement to Provide Washington One-Page Disclosure Summary.** Based on the  
19 Factual Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in  
20 apparent violation of RCW 19.146.020(1) and RCW 19.146.0201(2) for failing to provide borrowers  
21 with the Washington One-Page Disclosure Summary.

22 **2.6 Requirement to Provide Complete and Timely Rate Lock Disclosures.** Based on the  
23 Factual Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in

1 apparent violation of RCW 19.146.0201(2), (6), and (15) and RCW 19.146.030(2) for failing to  
2 provide borrowers with complete and timely rate lock disclosures.

3 **2.7 Requirement to Provide Complete and Timely Rate Lock Agreements.** Based on the  
4 Factual Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in  
5 apparent violation of RCW 19.146.0201(2), (6), and (15) and RCW 19.146.030(2) for failing to  
6 provide borrowers with complete and timely rate lock agreements.

7 **2.8 Requirement to Properly Disclose the Yield Spread Premium.** Based on the Factual  
8 Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in apparent  
9 violation of RCW 19.146.0201(2) and WAC 208-660-430(5) for failing to identify the Yield Spread  
10 Premium by using that term, failing to represent it as a dollar amount or dollar range, or both.

11 **2.9 Requirement to Specify all Fees Inuring to the Benefit of the Mortgage Broker.** Based  
12 on the Factual Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in  
13 apparent violation of RCW 19.146.0201(2), (3), (6), (13), and (15) and RCW 19.146.030(1) for  
14 failing to disclose to the borrowers within three business days of receiving an application all fees that  
15 will inure to the benefit of the mortgage broker.

16 **2.10 Requirement to Provide Complete and Timely Truth-in-Lending Disclosures.** Based on  
17 the Factual Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in  
18 apparent violation of RCW 19.146.0201(2), (6), (7), (11), and (15) and RCW 19.146.030(2) for  
19 failing to provide borrowers with complete and timely Truth-in-Lending Disclosures.

20 **2.11 Requirement to Display Loan Originator License Numbers.** Based on the Factual  
21 Allegations set forth in Section I above, Respondents Seattle Pacific and Louie are in apparent  
22 violation of RCW 19.146.0201(2) and WAC 208-660-350(23) for failing to ensure that loan  
23 originator numbers are displayed on all loan applications.

1 **2.12 Requirement to Disclose the Yield Spread Premium.** Based on the Factual Allegations set  
2 forth in Section I above, Respondents Seattle Pacific and Louie are in apparent violation of RCW  
3 19.146.0201(2), (3), and (11) for failing to disclose the Yield Spread Premium to the borrower prior  
4 to closing.

5 **2.13 Requirement to Provide National Credit Disclosure and Notice to Home Loan**

6 **Applicant Disclosure.** Based on the Factual Allegations set forth in Section I above, Respondents  
7 Seattle Pacific and Louie are in apparent violation of RCW 19.146.0201(2) and (11) for failing to  
8 provide borrowers with the National Credit Disclosure and Notice to Home Loan Applicant.

9 **2.14 Requirement to Maintain Accurate and Current Books and Records.** Based on the

10 Factual Allegations set forth in Section I above, to the extent Respondents Seattle Pacific and Louie  
11 may claim to have provided borrowers with any documents the Department was unable to locate in  
12 the loan file, Respondents are in apparent violation of RCW 19.146.060 and WAC 208-660-450 for  
13 failing to keep all books and records until at least 25 months have elapsed following the effective  
14 period to which the books and records relate.

15 **III. AUTHORITY TO IMPOSE SANCTIONS**

16 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2), the Director may revoke  
17 licenses for any violation of the Act.

18 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
19 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
20 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any  
21 licensed mortgage broker or any person subject to licensing under the Act for any violation of RCW  
22 19.146.0201(1) through (9) or (13) or RCW 19.146.030.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against licensees or other persons 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 a licensee or other persons subject to the Act for any violation of the Act. Pursuant to RCW  
5 19.146.220(3), the Director may impose fines on an employee, loan originator, independent  
6 contractor, or agent of the licensee, or other person subject to the Act, for any violations of RCW  
7 19.146.0201(1) through (9) or (13) or RCW 19.146.030.

8 **3.5 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** Respondent Seattle Pacific Mortgage, Inc.'s license to conduct the business of a  
18 mortgage broker be revoked.
- 19 **4.2** Respondent Lincoln A. Louie's authority to act as a designated broker be revoked.
- 20 **4.3** Respondent Seattle Pacific Mortgage, Inc. be prohibited from participation in the  
21 conduct of the affairs of any mortgage broker subject to licensure by the Director, in  
22 any manner, for a period of five years.
- 23 **4.4** Respondents Seattle Pacific Mortgage, Inc. and Lincoln A. Louie jointly and  
24 severally pay a fine which as of the date of this Statement of Charges totals \$100,000.

- 1       **4.5**    Respondents Seattle Pacific Mortgage, Inc. and Lincoln A. Louie jointly and  
2        severally pay restitution totaling \$3,043.04 to the borrower identified in Appendix A  
3        of this Statement of Charges.
- 3       **4.6**    Respondents Seattle Pacific Mortgage, Inc. and Lincoln A. Louie jointly and  
4        severally pay an investigation fee which as of the date of this Statement of Charges  
5        totals \$1,728.
- 5       **4.7**    Respondents Seattle Pacific Mortgage, Inc. and Lincoln A. Louie maintain records in  
6        compliance with the Act and provide the Department with the location of the books,  
7        records and other information relating to Respondents' mortgage broker business, and  
8        the name, address and telephone number of the individual responsible for  
9        maintenance of such records in compliance with the Act.
- 8       **4.8**    Respondent Elaine Ho's license to conduct the business of a loan originator be  
9        revoked.
- 9       **4.9**    Respondent Elaine Ho be prohibited from participation in the conduct of the affairs of  
10       any mortgage broker subject to licensure by the Director, in any manner, for a period  
11       of five years.
- 11      **4.10** Respondent Elaine Ho pay a fine which as of the date of this Statement of Charges  
12       totals \$5,000.
- 12      **4.11** Respondent Keith K. Akada's license to conduct the business of a loan originator be  
13       revoked.
- 13      **4.12** Respondent Keith K. Akada be prohibited from participation in the conduct of the  
14       affairs of any mortgage broker subject to licensure by the Director, in any manner, for  
15       a period of five years.
- 14      **4.13** Respondent Keith K. Akada pay a fine which as of the date of this Statement of  
16       Charges totals \$5,000.
- 15      **4.14** Respondent Yiqun "Christina" Chen's license to conduct the business of a loan  
17       originator be revoked.
- 16      **4.15** Respondent Yiqun "Christina" Chen be prohibited from participation in the conduct  
18       of the affairs of any mortgage broker subject to licensure by the Director, in any  
19       manner, for a period of five years.
- 17      **4.16** Respondent Yiqun "Christina" Chen pay a fine which as of the date of this Statement  
20       of Charges totals \$5,000.
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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 29<sup>th</sup> day of March, 2012.



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DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

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