

ORDER SUMMARY – Case Number: C-15-1750

Name(s): All American Lending Inc

Order Number: C-15-1750-17-CO01

Effective Date: 9/21/17

License Number: 94555

License Effect: Surrender

Not Apply Until: 5 years

Not Eligible Until: _____

Prohibition/Ban Until: 5 years

Investigation Costs	\$1,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 06/05/2017
Fine	\$20,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 08/30/2017
Exam Fee	\$6,125	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 06/05/2017
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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

ALL AMERICAN LENDING, INC.,
NMLS # 94555, and
JAMILA M. QADIRI, Designated Broker,
NMLS # 120421,

No.: C-15-1750-17-CO01

CONSENT ORDER AS TO
ALL AMERICAN LENDING, INC.

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and All American Lending, Inc. (Respondent All American), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled solely as to Respondent All American, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent All American have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-15-1750-17-SC01 (Statement of Charges), entered March 1, 2017, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent All American hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The

1 parties intend this Consent Order to fully resolve the Statement of Charges solely as to Respondent
2 All American.

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 Respondent All American has been informed of
7 the right to a hearing before an administrative law judge, and hereby waive its right to a hearing and
8 any and all administrative and judicial review of the issues raised in this matter, or of the resolution
9 reached herein. Accordingly, Respondent All American, by the signature of its representative below,
10 withdraws its appeal to the Office of Administrative Hearings.

11 **C. Mortgage Broker License Surrender.** It is AGREED that Respondent All American's
12 mortgage broker license is surrendered.

13 **D. Prohibition from Industry.** It is AGREED that, for a period of five years from the date
14 of entry of this Consent Order, Respondent All American is prohibited from participating, in any
15 capacity, in the conduct of the affairs of any mortgage broker licensed by the Department or subject
16 to licensure or regulation by the Department.

17 **E. Application for License.** It is AGREED that, for a period of five years from the date of
18 entry of this Consent Order, Respondent All American shall not apply to the Department for any
19 license under any name. It is further AGREED that, should Respondent All American apply to the
20 Department for any license under any name at any time later than five years from the date of entry of
21 this Consent Order, Respondent All American shall be required to meet any and all application
22 requirements in effect at that time.

1 **F. Fine.** It is AGREED that Respondent All American shall pay a fine to the Department in
2 the amount of \$20,000, in the form of a cashier’s check made payable to the “Washington State
3 Treasurer,” upon entry of this Consent Order.

4 **G. Examination Fee.** It is AGREED that Respondent All American shall pay an
5 examination fee to the Department in the amount of \$6,125, in the form of a cashier’s check made
6 payable to the “Washington State Treasurer,” upon entry of this Consent Order.

7 **H. Investigation Fee.** It is AGREED that Respondent All American shall pay to the
8 Department an investigation fee of \$1,000, in the form of a cashier’s check made payable to the
9 “Washington State Treasurer,” upon entry of this Consent Order.

10 **I. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the
11 consent of any person or entity not a party to this Consent Order to take any action concerning their
12 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
13 Order, this Consent Order does not limit or create any private rights or remedies against Respondent
14 All American, limit or create liability of Respondent All American, or limit or create defenses of
15 Respondent All American to any claims.

16 **J. Change of Address.** It is AGREED that for the duration of the period this Consent Order
17 is in effect, unless otherwise agreed to in writing by the Department, Respondent All American shall
18 provide the Department with a mailing address and telephone number at which Respondent All
19 American can be contacted, and Respondent All American shall notify the Department in writing of
20 any changes to its mailing address or telephone number within fifteen days of any such change.

21 **K. Records Retention.** It is AGREED that Respondent All American, its officers,
22 employees, and agents shall maintain records in compliance with the Act and provide the Director
23 with the location of the books, records and other information relating to Respondent All American’s

1 mortgage broker business, and the name, address and telephone number of the individual responsible
2 for maintenance of such records in compliance with the Act.

3 **L. 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 **M. Non-Compliance with Order.** It is AGREED that Respondent All American
7 understands 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, Respondent All American may
9 be responsible to reimburse the Director for the cost incurred in pursuing such action, including but
10 not limited to, attorney fees.

11 **N. Voluntarily Entered.** It is AGREED that Respondent All American has voluntarily
12 entered into this Consent Order, which is effective when signed by the Director's designee.

13 **O. Completely Read, Understood, and Agreed.** It is AGREED that Respondent All
14 American has read this Consent Order in its entirety and fully understands and agrees to all of the
15 same.

16 **RESPONDENT:**
17 **All American Lending, Inc.**
18 By:

19 /s/
Mustafa K. Qadiri
President

9/11/17
Date

21 **DO NOT WRITE BELOW THIS LINE**

1 THIS ORDER ENTERED THIS 21st DAY OF September, 2017.

2
3 /s/ _____
4 CHARLES E. CLARK
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by:

9 /s/ _____
10 KENNETH J. SUGIMOTO
11 Financial Legal Examiner

12 Approved by:

13 /s/ _____
14 STEVEN C. SHERMAN
15 Enforcement Chief

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:

5 ALL AMERICAN LENDING, INC.,
NMLS # 94555, and
6 JAMILA M. QADIRI, Designated Broker,
NMLS # 120421,

7 Respondents.

No. C-15-1750-17-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO REVOKE LICENSE, PROHIBIT
FROM INDUSTRY, IMPOSE FINE,
COLLECT EXAMINATION FEE, COLLECT
INVESTIGATION FEE, and RECOVER
COSTS AND EXPENSES

8 **INTRODUCTION**

9 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of
10 Financial Institutions of the State of Washington (Director) is responsible for the administration of
11 chapter 19.146 RCW, the Mortgage Broker Practices Act (Act). After having conducted an
12 investigation pursuant to RCW 19.146.235, and based upon the facts available as of the date of this
13 Statement of Charges and Notice of Intent to Enter an Order to Revoke License, Prohibit from
14 Industry, Impose Fine, Collect Examination Fee, Collect Investigation Fee, and Recover Costs and
15 Expenses (Statement of Charges), the Acting Director, through her designee, Division of Consumer
16 Services Director Charles E. Clark, institutes this proceeding and finds as follows:

17 **I. FACTUAL ALLEGATIONS**

18 **1.1 Respondents.**

19 **A. All American Lending, Inc. (Respondent All American)** was licensed by the
20 Department of Financial Institutions of the State of Washington (Department) to conduct business as
21 a mortgage broker on or about December 26, 2007, and continues to be licensed to date.

22 **B. Jamila M. Qadiri (Respondent Qadiri)** was named Designated Broker of
23 Respondent All American on or about May 12, 2011, and continued to be Designated Broker until
24

1 Respondent All American removed her sponsorship on or about May 27, 2016. Respondent Qadiri
2 was licensed by the Department to conduct business as a loan originator on or about May 12, 2011,
3 and continued to be licensed until her license expired on December 31, 2016.

4 **1.2 Examination.** From June 1, 2015, through June 5, 2015, the Department conducted an
5 examination of Respondent All American's business practices for the period of February 1, 2013,
6 through April 30, 2015. The Department reviewed 20 loan files and found violations of the Act
7 which include those set forth below. Respondent Qadiri was designated broker of Respondent All
8 American and the loan originator for each of the 20 loan files.

9 **1.3 Prohibited Acts.** In at least two loan files, Respondents failed to use a licensed settlement
10 service provider. In at least 14 loan files, Respondents improperly altered dates or signatures in place
11 of the borrowers, or allowed dates or signatures to be improperly altered by persons other than the
12 borrowers.

13 **1.4 Failed to Maintain Funds in Trust.** From at least in or around November 2013, through at
14 least in or around March 2015, Respondent All American received trust funds from or on behalf of
15 borrowers and deposited these trust funds into operating accounts under its control, thereby
16 commingling trust funds with operating funds.

17 **1.5 Disclosures.** In at least 19 loan files, Respondents failed to timely provide borrowers with
18 complete rate lock agreements. In at least four loan files, Respondents provided borrowers with
19 mortgage broker agreements containing blank spaces and prohibited language. In at least 10 loan
20 files, Respondents failed to provide borrowers with accurate lists of authorized settlement service
21 providers. In at least 12 loan files, Respondents failed to provide borrowers with complete anti-
22 steering disclosures. In at least 20 loan files, Respondents failed to timely provide borrowers with
23 complete and accurate Good Faith Estimates. In at least 19 loan files, Respondents failed to provide
24 borrowers with complete and accurate Truth-in-Lending disclosure statements. In at least 15 loan

1 files, Respondents failed to timely provide borrowers with a list of homeownership counseling
2 organizations. In at least 17 loan files, Respondents failed to provide borrowers with accurate Equal
3 Credit Opportunity Act notices.

4 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the
5 Act by Respondents continues to date.

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

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

10 **2.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200, every licensed
11 mortgage broker must at all times have a designated broker responsible for all activities of the
12 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or
13 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,
14 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or
15 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows
16 the conduct; or the designated broker, principal, or owner who has supervisory authority over the
17 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known
18 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take
19 reasonable remedial action.

20 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
21 are in apparent violation of RCW 19.146.0201(1), (2), (6), (11) and (15) for directly or indirectly
22 employing a scheme, device or artifice to defraud or mislead borrowers or lenders or any person,
23 engaging in an unfair or deceptive practice toward any person, failing to make disclosures to loan
24 applicants and non-institutional investors as required by RCW 19.146.030 and any other applicable

1 state or federal law, failing to comply with state and federal laws applicable to the activities governed
2 by the Act, and failing to comply with any provision of RCW 19.146.030 through RCW 19.146.080
3 or any rule adopted under those sections.

4 **2.4 Requirement to Maintain Funds in Trust.** Based on the Factual Allegations set forth in
5 Section I above, Respondents are in apparent violation of RCW 19.146.050 for failing to deposit
6 funds received from a borrower or on behalf of a borrower for payment of third-party provider
7 services in a trust account of a federally insured financial institution located in this state, prior to the
8 end of the third business day following receipt of such monies, and for commingling operating funds
9 with trust account funds.

10 **III. AUTHORITY TO IMPOSE SANCTIONS**

11 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2), the Director may revoke
12 licenses for any violation of the Act.

13 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may
14 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a
15 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed
16 mortgage broker or any person subject to licensing under the Act for any violation of the Act.

17 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
18 against a licensee, employees, independent contractors, agents of licensees, or other persons subject
19 to the Act for any violation of the Act.

20 **3.4 Authority to Collect Examination and Investigation Fees.** Pursuant to RCW
21 19.146.228(2), WAC 208-660-520(9) and (11), and WAC 208-660-550(4)(a), the Department will
22 charge forty-eight dollars per hour for an examiner's time devoted to an investigation.

23 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
24 may recover the State's costs and expenses for prosecuting violations of the Act.

1 **IV. NOTICE OF INTENT TO ENTER ORDER**

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

- 6 **4.1** Respondent All American's license to conduct the business of a mortgage broker be
7 revoked.
- 8 **4.2** Respondent All American and Respondent Qadiri be prohibited from participation in
9 the conduct of the affairs of any mortgage broker subject to licensure by the Director,
10 in any manner, for a period of five years.
- 11 **4.3** Respondent All American and Respondent Qadiri jointly and severally pay a fine. As
12 of the date of this Statement of Charges, the fine totals \$50,000.
- 13 **4.4** Respondent All American and Respondent Qadiri jointly and severally pay an
14 examination fee. As of the date of this Statement of Charges, the examination fee
15 totals \$6,125.
- 16 **4.5** Respondent All American and Respondent Qadiri jointly and severally pay an
17 investigation fee. As of the date of this Statement of Charges, the investigation fee
18 totals \$1,000.
- 19 **4.6** Respondent All American maintain records in compliance with the Act and provide
20 the Department with the location of the books, records and other information relating
21 to Respondent All American's mortgage broker business, and the name, address and
22 telephone number of the individual responsible for maintenance of such records in
23 compliance with the Act.
- 24 **4.7** Respondent All American pay the Department's costs and expenses for prosecuting
violations of the Act in an amount to be determined at hearing or by declaration with
supporting documentation in event of default by Respondent All American.

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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 FOR ADJUDICATIVE HEARING AND
6 TO DEFEND accompanying this Statement of Charges.

7
8 Dated this 1st day of March, 2017.

9
10 /s/ _____
11 CHARLES E. CLARK
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

16 /s/ _____
17 KENNETH J. SUGIMOTO
18 Financial Legal Examiner

19 Approved by:

20 /s/ _____
21 STEVEN C. SHERMAN
22 Enforcement Chief