

ORDER SUMMARY – Case Number: C-16-2084

Name: Julie Frakes Gattenio

Order Number: C-16-2084-17-CO01

Effective Date: March 24, 2017

License Number: NMLS # 1504054
Or NMLS Identifier [U/L]

License Effect: Withdrawal of application

Not Apply Until: March 25, 2022

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Costs and Expenses of Prosecution	\$500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 3/24/2017
Fine	\$500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 3/24/2017

Comments:

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
5 hearing before an administrative law judge, and hereby waives her right to a hearing and any and all
6 administrative and judicial review of the issues raised in this matter, or of the resolution reached
7 herein. Accordingly, Respondent, by her signature below, withdraws her appeal to the Office of
8 Administrative Hearings.

9 C. **Mortgage Loan Originator License Application Withdrawal.** It is AGREED that
10 Respondent's Mortgage Loan Originator license application is withdrawn.

11 D. **Application for License.** It is AGREED that, for a period of five years from the date of
12 entry of this Consent Order, Respondent shall not apply to the Department for any license under any
13 name. It is further AGREED that, should Respondent apply to the Department for any license under
14 any name at any time later than five years from the date of entry of this Consent Order, Respondent
15 shall be required to meet any and all application requirements in effect at that time.

16 E. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
17 \$500, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry
18 of this Consent Order.

19 F. **Costs and Expenses.** It is AGREED that Respondent shall pay to the Department costs
20 and expenses of prosecution in the amount of \$500, in the form of a cashier's check made payable to
21 the "Washington State Treasurer," upon entry of this Consent Order. The Fine and Costs and
22 Expenses may be paid together in one \$1,000 cashier's check made payable to the "Washington State
23 Treasurer."

1 **G. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to
2 abide by the terms and conditions of this Consent Order may result in further legal action by the
3 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
4 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

5 **H. Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this
6 Consent Order, which is effective when signed by the Director's designee.

7 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read
8 this Consent Order in its entirety and fully understand and agree to all of the same.

9 **J. Counterparts.** This Consent Order may be executed by the Respondent in any number of
10 counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed
11 to be an original, but all of which, taken together, shall constitute one and the same Consent Order.

12 **RESPONDENT:**

13 **Julie Frakes Gattenio**

14 By:

15 _____/s/_____
16 Julie Frakes Gattenio
17 Individually

_____3/14/2017_____
Date

18 Approved for Entry:

19 _____/s/_____
20 Linda Frakes-Gattenio
21 California Bar #144666
Attorney for Respondent

_____3/14/2017_____
Date

22 **DO NOT WRITE BELOW THIS LINE**

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1 THIS ORDER ENTERED THIS 24th DAY OF March, 2017.

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

8 Presented by:

9 _____/s/_____
10 DEBORAH TAEILLIOUS
11 Financial Legal Examiner Supervisor

12 Approved by:

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

1 Conduct for Test Takers and the Candidate Test Security and Confidentiality Agreement while taking
2 the National Component of the SAFE MLO Test. On or about August 22, 2016, the SSR determined
3 that Respondent violated the Rules of Conduct for Test Takers.

4 **1.3 Failure to Update NMLS.** The Notice of Investigation dated July 29, 2016, advised
5 Respondent that she was required to update her MLO license application in NMLS and answer YES
6 to question 6(R)(2). Respondent did not update her MLO license application in NMLS as required.¹

7 **1.4 Character and General Fitness.** Respondent has not demonstrated character and general
8 fitness such as to command the confidence of the community as evidenced by Respondent's
9 violations of the NMLS Rules of Conduct for Test Takers and failure to update NMLS.

10 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
11 Act by Respondent continues to date.

12 II. GROUNDS FOR ENTRY OF ORDER

13 **2.1 Requirement to Demonstrate Character and General Fitness.** Based on the Factual
14 Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW
15 31.04.247(1) and WAC 208-620-710 by failing to demonstrate character and general fitness such as
16 to command the confidence of the community and to warrant a belief that the business will be
17 operated honestly, fairly, and efficiently within the purposes of the Act.

18 **2.2 Requirement to Provide Information on License Application.** Based on the Factual
19 Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW
20 31.04.234 and 31.04.241(2) by failing to provide an accurate license application in the form
21 prescribed by the Director.

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24 ¹ The NMLS MLO license application was updated on or about September 12, 2016, at which time question 6 was removed from the application.

1 **2.3 False Statements and Omissions of Material Facts.** Based on the Factual Allegations set
2 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(8) for negligently
3 making any false statement or knowingly and willfully make any omission of material fact in
4 connection with any reports filed with the department by a licensee or in connection with any
5 investigation conducted by the department.

6 **III. AUTHORITY TO IMPOSE SANCTIONS**

7 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW
8 31.04.247(2), the Director may deny licenses to applicants. Pursuant to RCW 31.04.247(2), the
9 Director shall not issue a license if the conditions of RCW 31.04.247(1) have not been met by the
10 applicant, and shall notify the applicant of the denial.

11 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 31.04.093(6), the Director may
12 issue orders prohibiting from participation in the conduct of the affairs of any licensee or loan
13 originator or any person subject to this chapter for false statements or omission of material
14 information from an application for a license that, if known, would have allowed the director to deny
15 the original application for a license or a violation of RCW 31.04.027.

16 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
17 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
18 any other person subject to the Act for any violation of the Act.

19 **3.4 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
20 may recover the state's costs and expenses for prosecuting violations of the Act

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

22 Respondent's violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
23 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose

1 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW
2 31.04.168, and RCW 31.04.247. Therefore, it is the Director's intent to ORDER that:

- 3 **4.1** Respondent Julie Frakes Gattenio's application for a mortgage loan originator license
4 be denied.
- 5 **4.2** Respondent Julie Frakes Gattenio be prohibited from participation in the conduct of
6 the affairs of any mortgage loan originator subject to licensure by the Director under
7 chapter 31.04 and chapter 19.146, in any manner, for seven years.
- 8 **4.3** Respondent Julie Frakes Gattenio pay a fine in the amount of \$1,000.
- 9 **4.4** Respondent Julie Frakes Gattenio pay the Department's costs and expenses for
10 prosecuting violations of the Act in an amount to be determined at hearing or by
11 declaration with supporting documentation in event of default by Respondent.

12 **V. AUTHORITY AND PROCEDURE**

13 This Statement of Charges and Notice of Intent to Enter an Order to Deny License
14 Application, Prohibit from Industry, Impose Fine, and Recover Costs and Expenses (Statement of
15 Charges) is entered pursuant to the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.168,
16 RCW 31.04.202, and RCW 31.04.205 and is subject to the provisions of chapter 34.05 RCW (The
17 Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in
18 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
19 accompanying this Statement of Charges.
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1 Dated this 22nd day of November, 20176.

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/s/ _____
CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

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Presented by:

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_____/s/_____

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DEBORAH TAEILLIOUS
Financial Legal Examiner Supervisor

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Approved by:

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_____/s/_____

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STEVEN C. SHERMAN
Enforcement Chief

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