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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
Consumer Loan Act of Washington by:

No.: C-19-2775-20-CO01

CONSENT ORDER

TINA LEE HART, Mortgage Loan Originator,
NMLS #1462426,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Lucinda Fazio, Division of Consumer Services Director, and Tina Lee Hart¹ (Respondent), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 31.04 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 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-19-2775-19-SC01 (Statement of Charges), entered October 25, 2019, (copy attached hereto). Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent 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 parties intend this Consent Order to fully resolve the Statement of Charges and agree that the Respondent does not admit or deny any

¹ Respondent recently updated NMLS to reflect a last name of Moore.

1 wrongdoing by its entry. Respondent is agreeing not to contest the Statement of Charges in
2 consideration of the terms of this Consent Order.

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

11 C. **Mortgage Loan Originator License Surrender.** It is AGREED that Respondent's
12 mortgage loan originator license is surrendered.

13 D. **Prohibition from Industry.** It is AGREED that Respondent is permanently prohibited
14 from participating, in any capacity, in the conduct of the affairs of any consumer loan company
15 licensed by the Department or subject to licensure or regulation by the Department.

16 E. **NMLS Disclosures.** It is AGREED that, within seven business days of entry of this
17 Consent Order, Respondent will update her NMLS State Disclosures to reflect accurate responses.

18 F. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
19 \$5,000 upon entry of this Consent Order. It is further AGREED that the Department shall stay \$4,000
20 of the fine for a period of two (2) years from the date of entry of this Consent Order, at which point
21 the stayed amount of the Fine shall be withdrawn, unless the stay is lifted pursuant to Paragraph G.

22 G. **Lifting the Stay and Imposing the Stayed Fine.** It is AGREED that:

- 23 i. If the Department determines that Respondent has not complied with the terms of this
24 Consent Order to a degree sufficient to warrant imposition of the Stayed Fine, and the

1 Department accordingly seeks to lift the stay and impose the Stayed Fine set forth in
2 Paragraph F above, the Department will first notify Respondent in writing of its
3 determination.

- 4 ii. The Department's notification will include:
 - 5 a. A description of the alleged noncompliance;
 - 6 b. A statement that because of the noncompliance, the Department seeks to lift the
7 stay and impose the Stayed Fine;
 - 8 c. The opportunity for Respondent to contest the Department's determination of
9 noncompliance in an administrative hearing before an Administrative Law Judge
10 (ALJ) of the Office of Administrative Hearings (OAH); and
 - 11 d. A copy of this Consent Order. The notification and hearing process provided in
12 this Consent Order applies only to this Consent Order. It is solely provided in the
13 event Respondent chooses to contest the Department's determination of
14 noncompliance.
- 15 iii. Respondent will be afforded twenty (20) business days from the date of receipt of the
16 Department's notification to submit a written request to the Department for an
17 administrative hearing to be held before an ALJ from the OAH.
- 18 iv. The scope and issues of the hearing are limited solely to whether or not Respondent is
19 in violation of the terms of this Consent Order to a degree sufficient to warrant
20 imposition of the Stayed Fine.
- 21 v. At the conclusion of the hearing, the ALJ will issue an initial decision. Either party
22 may file a Petition for Review with the Director of the Department.

23 If Respondent does not request the hearing within the stated time, the Department will impose the
24 Stayed Fine and pursue whatever action it deems necessary to enforce the Stayed Fine.

19 **H. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
20 investigation fee of \$210. The Fine and Investigation Fee shall be paid together in one \$1,210
21 cashier's check made payable to the "Washington State Treasurer."

22 **I. Non-Compliance with Order.** It is AGREED that Respondent understand that failure to
23 abide by the terms and conditions of this Consent Order may result in further legal action by the

1 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
2 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

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

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

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1 **RESPONDENT:**

2 /s/
Tina Lee Hart
3 Mortgage Loan Originator

2/11/2020
Date

4 **APPROVED FOR ENTRY:**

5 /s/
Meredith A. Long, WSBA No. 48961
6 Attorney at Law
Law Office of Meredith A. Long, PLLC
7 Attorney for Respondent

2/12/2020
Date

8 **DO NOT WRITE BELOW THIS LINE**

9 THIS ORDER ENTERED THIS 20th DAY OF February, 2020.

11 /s/
12 Lucinda Fazio, Director
13 Division of Consumer Services
Department of Financial Institutions

14 Presented by:

15
16 /s/
BRETT CARNAHAN
17 Financial Legal Examiner

18 Approved by:

19 /s/
20 STEVEN C. SHERMAN
Enforcement Chief

1 submission to Mann’s underwriting department. According to the Report, these documents were
2 necessary for Mann to approve the loan. Respondent has admitted to these actions.

3 **1.3 Misstatements to the Department.** Following the termination of Respondent’s employment
4 at Mann, Respondent did not update her NMLS record to reflect an accurate and truthful response to
5 question (Q)(1) or (2) in the NMLS State Disclosures Section of Respondent’s record. The question
6 asks “Have you ever voluntarily resigned, been discharged, or permitted to resign after allegations
7 were made that accused you of: (1) violating statute(s), regulation(s), rule(s), or industry standards of
8 conduct; or (2) fraud, dishonesty, theft, or the wrongful taking of property?”. Pursuant to WAC 208-
9 620-710 (27), a mortgage loan originator licensee must notify the Director through amendment to
10 their NMLS record within ten business days to a change of an answer to an NMLS generated
11 disclosure question. Based on the information provided by Mann, Respondent would have needed to
12 amend her responses to the above questions no later than ten days after the date of her discharge from
13 Mann, and Respondent failed to do so.

14 **1.4 Character and General Fitness.** Respondent has failed to demonstrate the necessary
15 character and general fitness such as to command the confidence of the community and to warrant a
16 determination by the Department that Respondent will operate honestly, fairly, and efficiently as a
17 mortgage loan originator in Washington.

18 **1.5 On-Going Investigation.** The Department’s investigation into the alleged violations of the
19 Act by Respondent continues to date.

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

21 **2.1 Defraud or Mislead a Lender.** Based on the Factual Allegations set forth in Section I above,
22 Respondent is in apparent violation of RCW 31.04.027(1)(a) for directly or indirectly employing a
23 scheme to defraud or mislead a lender.

1 **2.2 Unfair or Deceptive Act or Practice.** Based on the Factual Allegations set forth in Section I
2 above, Respondent is in apparent violation of RCW 31.04.027(1)(b) for directly or indirectly
3 engaging in any unfair or deceptive act or practice toward any person.

4 **2.3 False Statements and Omissions of Material Fact.** Based on the Factual Allegations set
5 forth in Section I above, Respondent is in apparent violation RCW 31.04.027(1)(h) for negligently
6 making a false statement or knowingly or willingly making an omission of material fact in connection
7 with a report filed with the Department by a licensee.

8 **2.4 Character and Fitness.** Based on the Factual Allegations set forth in Section I, Respondent
9 fails to demonstrate character and general fitness such as to command the confidence of the
10 community and to warrant a determination that the mortgage loan originator will operate honestly,
11 fairly, and efficiently within the purposes of the Act.

12 III. AUTHORITY TO IMPOSE SANCTIONS

13 **3.1 Authority to Revoke License.** Pursuant to RCW 31.04.093(3)(b), the Director may revoke a
14 license if a licensee, either knowingly or without the exercise of due care, has violated any provision
15 of the Act or any rule adopted under the Act.

16 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6)(e), the Director
17 may issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
18 employee, mortgage loan originator, or any other person subject to the Act for a violation of RCW
19 31.04.027.

20 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
21 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
22 any other person subject to the Act for any violation of the Act or failure to comply with any order or
23 subpoena issued by the Director under the Act.

1 **3.4 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
2 590, WAC 208-620-610(7), every licensee investigated by the Director or the Director's designee
3 shall pay for the cost of the investigation, calculated at the rate of \$69.01 per staff hour devoted to the
4 investigation.

5 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
6 may recover the state's costs and expenses for prosecuting violations of the Act.

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

8 Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
9 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
10 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW
11 34.04.202, and RCW 31.04.205. Therefore, it is the Director's intent to ORDER that:

- 12 **4.1** Respondent Tina Lee Hart's license to conduct the business of a
13 mortgage loan originator be revoked.
- 14 **4.2** Respondent Tina Lee Hart be permanently prohibited from participation in the
15 conduct of the affairs of any consumer loan company subject to licensure by the
16 Director.
- 17 **4.3** Respondent Tina Lee Hart pay a fine. As of the date of this Statement of Charges, the
18 fine totals \$5,000.
- 19 **4.4** Respondent Tina Lee Hart pay an investigation fee. As of the date of this Statement of
20 Charges, the investigation fee totals \$210.
- 21 **4.5** Respondent Tina Lee Hart pay the Department's costs and expenses
22 for prosecuting violations of the Act in an amount to be determined at hearing or by
23 declaration with supporting documentation in event of default by Respondent.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Revoke License, Prohibit
3 from Industry, Impose Fine, Collect Investigation Fee, and Recover Costs and Expenses (Statement
4 of Charges) is entered pursuant to the provisions of RCW 31.04.093, RCW 31.04.165, RCW
5 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05 RCW (The
6 Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in
7 the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE HEARING AND TO DEFEND
8 accompanying this Statement of Charges.

9 Dated this 25th day of October, 2019.

10 /s/
11 RICHARD ST. ONGE
12 Acting Director
13 Division of Consumer Services
14 Department of Financial Institutions

13 Approved by:

14 /s/
15 STEVEN C. SHERMAN
16 Enforcement Chief