

ORDER SUMMARY
Consumer Services Division Case Number C-22-3492

Consent Orders resolve investigations. In these, companies and individuals work with us to agree to terms that resolve the alleged issues in the investigation.

Names	Fitkin Mortgage Corp NMLS #233782 Jackson J. Hindman NMLS #880174
Order Number	C-22-3492-23-CO01
Date issued	10/17/2023

What does this Consent Order require?

- **All terms of this order are complete.**
- Must pay \$7,500 to the state's financial literacy fund.
- Must pay an investigation fee of \$2,000.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or csenforcecomplaints@dfi.wa.gov. Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.

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

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

No.: C-22-3492-23-CO01

CONSENT ORDER

FITKIN MORTGAGE CORP., INC.,
NMLS # 233782, and

JACKSON J. HINDMAN, Designated Broker and
Loan Originator, NMLS # 880174,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Ali Higgs, Acting Division of Consumer Services Director, Fitkin Mortgage Corp., Inc. (Respondent Fitkin), and Jackson J. Hindman (Respondent Hindman), 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 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 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-22-3492-23-SC01 (Statement of Charges), entered June 2, 2023, (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, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter may be

1 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent
2 Order to fully resolve the Statement of Charges.

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 Respondents have been informed of the right to a
7 hearing before an administrative law judge, and hereby waive their rights 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, Respondents, by their signatures below, withdraw their appeal to the Office of
10 Administrative Hearings.

11 **C. No Admission nor Denial of Liability.** The parties intend this Consent Order to fully
12 resolve the Statement of Charges and agree that Respondents neither admit nor deny any wrongdoing
13 by its entry.

14 **D. Financial Literacy Payment.** It is AGREED that Respondents shall make a payment to
15 the Department in the amount of \$7,500 to be applied toward the Department's financial literacy
16 fund.

17 **E. Investigation Fee.** It is AGREED that Respondents shall pay an investigation fee to the
18 Department in the amount of \$2,000. It is further AGREED that the financial literacy payment and
19 the investigation fee shall be paid together in the form of one cashier's check for \$9,500, made
20 payable to the "Washington State Treasurer" upon delivery of this Consent Order to the Department,
21 properly dated and signed.

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

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

8 **H. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this
9 Consent Order, which is effective when signed by the Director's designee.

10 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
11 this Consent Order in its entirety and fully understand and agree to all of the same.

12
13 **RESPONDENTS:**

14 Fitkin Mortgage Corp., Inc.

15 By:

16 

17 THOMAS REED FITKIN
18 President

10/3/2023
Date

19 JACKSON J. HINDMAN
20 Individually

Date

21 ///

22 ///

23 ///

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I. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read this Consent Order in its entirety and fully understand and agree to all of the same.

RESPONDENTS:

Fitkin Mortgage Corp., Inc.

By:

THOMAS REED FITKIN
President

Date

JACKSON J. HINDMAN

Date

10/03/2023

CONSENT ORDER
C-22-3492-23-CO01
FITKIN MORTGAGE CORP., INC.,

JACKSON J. HINDMAN

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

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 17 DAY OF October, 2023.



Ali Higgs, Acting Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

KENNETH J. SUGIMOTO
Financial Legal Examiner Supervisor

Approved by:

JAMES BRUSSELBACK
Acting Enforcement Chief

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

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

FITKIN MORTGAGE CORP., INC.
NMLS # 233782, and
JACKSON J. HINDMAN, Designated Broker and
Loan Originator, NMLS # 880174,

Respondents.

No. C-22-3492-23-SC01

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

INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act). 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 Lucinda Fazio, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Fitkin Mortgage Corp., Inc. (Respondent Fitkin) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on or about May 25, 2017, and continues to be licensed to date.

B. Jackson J. Hindman (Respondent Hindman) was named Designated Broker of Respondent Fitkin on or about May 25, 2017, and continues to be Designated Broker to date. Respondent Hindman was given temporary authority by the Department to conduct business as a loan

originator on or about December 17, 2020, licensed by the Department to conduct business as a loan originator on or about December 24, 2020, and continues to be licensed to date.

1.2 Examination. Between July 14, 2022, and July 19, 2022, the Department conducted an examination of Respondent Fitkin for the purpose of reviewing its business practices for the period of April 1, 2020, through June 30, 2022, and determined that Respondents violated the Act as detailed below.

1.3 Unlicensed Activity. Between July 1, 2017, and December 16, 2020, while serving as Designated Broker of Respondent Fitkin, and on behalf of Respondent Fitkin, Respondent Hindman assisted borrowers in applying for or obtaining residential mortgage loans in at least 100 transactions.

1.4 Failed to Timely Submit Reports. Respondent Fitkin failed to submit complete mortgage call reports to the Department within 45 days of the end of the quarter for the first, second, and fourth quarters of 2020.

1.5 Failed to Include Required Information with Trade Name on Website. Respondent Fitkin operated a website in which it used a registered trade name without also including its licensed name or license number.

1.6 Failed to Include Required Information with Trade Name on Loan Documents. In at least 10 loan files, Respondent Fitkin used a registered trade name without also including its licensed name or license number.

1.7 Misleading Advertising. Respondent Fitkin's website stated, "The VA home loan is always the best loan for a veteran." Such a statement cannot be proven, may in fact be false, and is potentially misleading.

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

II. GROUNDS FOR ENTRY OF ORDER

1 **2.1 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed
2 mortgage broker is liable for any conduct violating the Act by the designated broker, a loan
3 originator, or other licensed mortgage broker while employed or engaged by the licensed mortgage
4 broker.

5 **2.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(3), every licensed
6 mortgage broker must at all times have a designated broker responsible for all activities of the
7 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or
8 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,
9 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or
10 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows
11 the conduct; or the designated broker, principal, or owner who has supervisory authority over the
12 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known
13 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take
14 reasonable remedial action.

15 **2.3 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11), "Loan originator" means
16 a natural person who for direct or indirect compensation or gain, or in the expectation of direct or
17 indirect compensation or gain: takes a residential mortgage loan application; offers or negotiates
18 terms of a mortgage loan; performs residential mortgage loan modification services; or holds
19 themselves out to the public as able to perform any of these activities.

20 **2.4 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
21 are in apparent violation of RCW 19.146.0201(2) and (7) for engaging in an unfair or deceptive
22 practice toward any person, and making, in any manner, any false or deceptive statement or
23 representation in regard to the rates, points, or other financing terms for a residential mortgage loan.

1 **2.5 Requirement to Utilize the Services of Licensed Loan Originators.** Based on the Factual
2 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
3 for utilizing the services of unlicensed loan originators to assist borrowers with applying for and
4 obtaining residential mortgage loans through Respondent Fitkin.

5 **2.6 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
6 Allegations set forth in Section I above, Respondent Hindman is in apparent violation of RCW
7 19.146.200(1) for engaging in the business of a loan originator without first obtaining and
8 maintaining a license under the Act.

9 **2.7 Requirement to Timely Submit Reports.** Based on the Factual Allegations set forth in
10 Section I above, Respondents are in apparent violation of RCW 19.146.390 and WAC 208-660-
11 400(1) for failing to timely submit accurate and complete call reports to the Department.

12 **2.8 Requirement to Include Required Information with Trade Name.** Based on the Factual
13 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.250
14 and WAC 208-660-180(9) for operating and advertising under a trade name without also including
15 the licensed name or license number.

16 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

19 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may
20 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a
21 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed
22 mortgage broker or any person subject to licensing under the Act for any violation of the Act.

1 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
2 against a licensee, employees, independent contractors, agents of licensees, or other persons subject
3 to the Act for any violation of the Act.

4 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
5 520(9) and (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per
6 hour for an examiner's time devoted to an investigation.

7 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
8 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

14 **4.1** Respondent Fitkin Mortgage Corp., Inc.'s license to conduct the business of a
15 mortgage broker be revoked.

16 **4.2** Respondent Jason J. Hindman's license to conduct the business of a loan originator be
17 revoked.

18 **4.3** Respondents Fitkin Mortgage Corp., Inc. and Jason J. Hindman be prohibited from
19 participation in the conduct of the affairs of any mortgage broker subject to licensure
20 by the Director, in any manner, for a period of five years.

21 **4.4** Respondents Fitkin Mortgage Corp., Inc. and Jason J. Hindman jointly and severally
22 pay a fine. As of the date of this Statement of Charges, the fine totals \$50,000.

23 **4.5** Respondents Fitkin Mortgage Corp., Inc. and Jason J. Hindman jointly and severally
24 pay an investigation fee. As of the date of this Statement of Charges, the investigation
fee totals \$2,000.

4.6 Respondents Fitkin Mortgage Corp., Inc. and Jason J. Hindman jointly and severally
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 Respondents.

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V. AUTHORITY AND PROCEDURE

This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (the Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.


Dated this 2nd day of June, 2023.





Lucinda Fazio, Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



KENNETH J. SUGIMOTO
Financial Legal Examiner Supervisor

Approved by:



JACK McCLELLAN
Enforcement Chief