

# Terms Completed

## ORDER SUMMARY – Case Number: C-22-3407

**Name:** David John McAuliff

**Order Number:** C-22-3407-22-FO01

**Effective Date:** 12/19/2022

**License Number:** 2191786  
**Or NMLS Identifier [U/L]**

**License Effect:** Application Denied

**Not Apply Until:** N/A

**Not Eligible Until:** N/A

**Prohibition/Ban Until:** N/A

<b>Investigation Costs</b>	\$ N/A		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Financial Literacy and Education</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Cost of Prosecution</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:	N/A		

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

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

IN THE MATTER OF INVESTIGATING:  
The loan originator license application under the  
Consumer Loan Act of Washington by:

No.: C-22-3407-22-FO01

FINAL ORDER

DAVID JOHN MCAULIFF,  
NMLS #2191786,

Respondent.

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I. DIRECTOR'S CONSIDERATION

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A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director, Lucinda Fazio (Director's designee), pursuant to RCW 34.05.440(1). On November 1, 2022, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Deny License Application (Statement of Charges) against David John McAuliff (Respondent). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated November 1, 2022, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

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On November 1, 2022, the Department served Respondent with the Statement of Charges and accompanying documents, sent by First-Class mail and Federal Express overnight delivery. On November 2, 2022, the documents sent via Federal Express overnight delivery were delivered. The documents sent via First-Class mail were not returned to the Department by the United States Postal Service.

1 Respondent did not request an adjudicative hearing within twenty calendar days after the  
2 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for  
3 in WAC 208-08-050(2).

4 B. Record Presented. The record presented to the Director's designee for his review and  
5 for entry of a final decision included the Statement of Charges, cover letter dated November 1, 2022,  
6 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative  
7 Hearing for Respondent, with documentation of service.

8 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the  
9 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

## 10 II. FINAL ORDER

11 Based upon the foregoing, and the Director's designee having considered the record and being  
12 otherwise fully advised, NOW, THEREFORE:

13 A. IT IS HEREBY ORDERED, That:

14 Respondent David John McAuliff's application for a license to conduct the business of  
15 a loan originator is denied.

16 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a  
17 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
18 must be filed in the Office of the Director of the Department of Financial Institutions by courier at  
19 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,  
20 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The  
21 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
22 Reconsideration a prerequisite for seeking judicial review in this matter.

1 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the  
2 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a  
3 written notice specifying the date by which it will act on a petition.

4 C. Stay of Order. The Director's designee has determined not to consider a Petition to  
5 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition  
6 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

7 D. Judicial Review. Respondent has the right to petition the superior court for judicial  
8 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
9 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

10 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial  
11 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
12 attached hereto.

13 DATED this 19th day of December, 2022.



16 STATE OF WASHINGTON  
17 DEPARTMENT OF FINANCIAL INSTITUTIONS

18 /s/

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20 Lucinda Fazio, Director  
21 Division of Consumer Services

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

IN THE MATTER OF INVESTIGATING the  
Loan Originator License Application under the  
Consumer Loan Act of Washington by:

DAVID JOHN MCAULIFF,  
NMLS #2191786,

Respondent.

No.: C-22-3407-22-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO DENY LICENSE  
APPLICATION

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**INTRODUCTION**

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to RCW 31.04.247, 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:

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**I. FACTUAL ALLEGATIONS**

**1.1 David John McAuliff, (Respondent)** submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a mortgage loan originator license. The license application was received by the Department, through the Nationwide Mortgage Licensing System and Registry, on or about March 21, 2022.

**1.2 Financial Responsibility, Character, and General Fitness.** On or about March 21, 2022, Respondent submitted their application through the Nationwide Mortgage Licensing System and Registry, for the Department to review. Under the disclosure question section, there is a subsection for regulatory actions. Question L asks, “Have you ever had an authorization to act as an attorney, accountant, or State or federal contractor that was revoked or suspended,” and the Respondent

1 answered, “Yes” to that question. Under the disclosure explanations section, Respondent disclosed  
2 that they were licensed in the State of Washington as a practicing attorney until their disbarment on  
3 or about May 7, 2019. Respondent was disbarred for continuing to practice law after being  
4 suspended from the practice of law, making false and/or misleading representations to clients, failing  
5 to cooperate with investigators, and failing to notify clients that they were suspended, among other  
6 charges.

## 7 **II. GROUNDS FOR ENTRY OF ORDER**

### 8 **2.1 Requirement to Demonstrate Financial Responsibility, Character, and General Fitness.**

9 Based on the Factual Allegations set forth in Section I above, Respondent fails to meet the  
10 requirements of RCW 31.04.247(1)(e) and WAC 208-620-710 by failing to demonstrate financial  
11 responsibility, character, and general fitness such as to command the confidence of the community  
12 and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and  
13 efficiently within the purposes of the Act. Pursuant to WAC 208-620-710(4)(a), the Department’s  
14 investigation of an applicant’s character and general fitness may include a review of the number and  
15 severity of complaints filed against the applicant, or any person the applicant was responsible for, and  
16 a review of any investigation or enforcement activity against the applicant, or any person the  
17 applicant was responsible for, in this state, or any jurisdiction.

## 18 **III. AUTHORITY TO IMPOSE SANCTIONS**

19 **3.1 Authority to Deny Application for Mortgage Loan Originator License.** Pursuant to RCW  
20 31.04.247(2), the Director shall not issue a mortgage loan originator license if the director finds the  
21 conditions of RCW 31.04.247 have not been met.

## 22 **IV. NOTICE OF INTENTION TO ENTER ORDER**

23 Respondent’s violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,  
24 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 31.04.205, and RCW 31.04.247. Therefore, it is the Director's intention to ORDER that:

3 **4.1** Respondent David John McAuliff's application for a mortgage loan originator license  
4 be denied.

## 5 **V. AUTHORITY AND PROCEDURE**

6 This Statement of Charges and Notice of Intention to Enter an Order to Deny License  
7 Application (Statement of Charges) is issued pursuant to the provisions of RCW 31.04.093, RCW  
8 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05  
9 RCW, the Administrative Procedure Act. Respondent may make a written request for a hearing as  
10 set forth in the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE HEARING AND TO  
11 DEFEND accompanying this Statement of Charges.

12 Dated this 21st day of October, 2022

13 /s/

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LUCINDA FAZIO, Director  
15 Division of Consumer Services  
Department of Financial Institutions

16 Presented by:

17 /s/

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MEGAN GUTHRIE  
19 Financial Legal Examiner



20 Approved by:

21 /s/

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JACK McCLELLAN  
23 Enforcement Chief