

Terms Completed

ORDER SUMMARY – Case Number: C-20-3039

Names: Secure Lending Incorporated, Mehedi Hassan

Order Number: C-20-3039-21-CO02

Effective Date: _____

License Number: 1236405, 158856
Or NMLS Identifier [U/L] _____

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$ 2,500		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$ 25,000		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
No. of Victims:				

1
2
3
4
5
6
7
8

**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-20-3039-21-CO02

CONSENT ORDER

SECURE LENDING, INC., NMLS # 1236405,
and
MEHEDI HASSAN, President and Owner,
NMLS # 158856,

Respondents.

9
10
11
12
13
14
15

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Lucinda Fazio, Division of Consumer Services Director, Secure Lending, Inc. (Respondent Secure), and Mehedi Hassan (Respondent Hassan), President and Owner of Respondent Secure; 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:

16
17

AGREEMENT AND ORDER

18
19
20
21
22
23

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-20-3039-21-SC01 (Statement of Charges), entered February 16, 2021 (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 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges.

24
CONSENT ORDER
C-20-3039-21-CO02
SECURE LENDING, INC.;
MEHEDI HASSAN

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

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

9 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the
10 Statement of Charges and agree that Respondents do not admit to any wrongdoing by its entry.

11 **D. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
12 \$25,000.

13 **E. Investigation Fee.** It is AGREED that Respondents shall pay an investigation fee to the
14 Department in the amount of \$2,500.

15 **F. Payment of Fine and Investigation Fee.** It is AGREED that upon entry of this Consent
16 Order Respondents shall pay half of the total amount due in the form of a cashier's check made
17 payable to the "Washington State Treasurer" in the amount of \$13,750. It is further AGREED that
18 within six months of entry of this Consent Order Respondents shall pay the remaining half of the total
19 amount due in the form of a cashier's check made payable to the "Washington State Treasurer" in the
20 amount of \$13,750.

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

1 THIS ORDER ENTERED THIS 3rd DAY OF January, 2021. 2022

2
3 /s/

4 Lucinda Fazio, Director
5 Division of Consumer Services
6 Department of Financial Institutions

7 Presented by:

8 /s/

9 KENNETH J. SUGIMOTO
10 Financial Legal Examiner Supervisor

11 Approved by:

12 /s/

13 JACK MCCLELLAN
14 Enforcement Chief

1 **B. Mehedi Hassan (Respondent Hassan)** is President and Owner of Respondent Secure.
2 Respondent Hassan was licensed by the Department to conduct business as a loan originator on or
3 about July 10, 2015, and continues to be licensed to date.

4 **C. John Majorek (Respondent Majorek)** was named as Designated Broker of
5 Respondent Secure on or about March 17, 2015. On or about October 4, 2018, Respondent Majorek
6 ceased to be Designated Broker of Respondent Secure. On or about October 16, 2019, Respondent
7 Majorek was again named as Designated Broker of Respondent Secure and on or about September
8 27, 2020, was removed from that designation. Respondent Majorek was licensed by the Department
9 to conduct business as a loan originator on or about February 3, 2009, and continues to be licensed to
10 date.

11 **1.2 Examination.** Between July 21, 2020, and August 26, 2020, the Department conducted an
12 examination of Respondent Secure’s business practices for the period of September 1, 2017, through
13 June 30, 2020. The Department determined that Respondents violated the Act and related rules as
14 described below.

15 **1.3 Prohibited Acts.** Between March 17, 2015, and June 30, 2020, Respondents made or funded
16 at least three residential mortgage loans.

17 **1.4 Designated Broker.** Between October 4, 2018, and October 16, 2019, and again from
18 September 27, 2020, to December 31, 2020, Respondents Secure and Hassan operated without a
19 Designated Broker.

20 **1.5 Inaccurate or Incomplete Reports.** Respondents failed to file accurate and complete reports
21 to the Department for the third quarter of 2017; the fourth quarter of 2018; and the first, third, and
22 fourth quarters of 2019.

1 **1.6 Mortgage Loan Originator Compensation.** On at least four occasions between September
2 1, 2017, and June 30, 2020, Respondents made payments to loan originators based on the terms of a
3 transaction.

4 **1.7 Anti-Money Laundering Program.** Respondents failed to develop and implement a
5 compliant anti-money laundering program.

6 **1.8 Identity Theft Prevention Program.** Respondents failed to develop and implement a
7 compliant identity theft prevention program.

8 **1.9 On-Going Investigation.** The Department's investigation into the alleged violations of the
9 Act by Respondents continues to date.

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

11 **2.1 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed
12 mortgage broker is liable for any conduct violating the Act by the designated broker, a loan
13 originator, or other licensed mortgage broker while employed or engaged by the licensed mortgage
14 broker.

15 **2.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(3), every licensed
16 mortgage broker must at all times have a designated broker responsible for all activities of the
17 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or
18 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,
19 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or
20 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows
21 the conduct; or the designated broker, principal, or owner who has supervisory authority over the
22 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known
23 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take
24 reasonable remedial action.

1 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
2 are in apparent violation of RCW 19.146.0201(2) and (18) for engaging in an unfair or deceptive
3 practice toward any person and making a residential mortgage loan by means other than table
4 funding.

5 **2.4 Failure to Operate with a Designated Broker.** Based on the Factual Allegations set forth in
6 Section I above, Respondents are in apparent violation of RCW 19.146.200 for failing to operate with
7 a Designated Broker.

8 **2.5 Failure to File Accurate and Complete Reports.** Based on the Factual Allegations set forth
9 in Section I above, Respondents are in apparent violation of RCW 19.146.390 for failing to file
10 accurate and complete reports to the Department.

11 **2.6 Unlawful MLO Compensation.** Based on the Factual Allegations set forth in Section I
12 above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1026.36(d)(1)(i)
13 of the Truth in Lending Act for compensating MLOs based upon the terms of a transaction.

14 **2.7 Failure to Develop Anti-Money Laundering Program.** Based on the Factual Allegations set
15 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 31 CFR
16 1029.210 for failing to develop a compliant AML program.

17 **2.8 Failure to Develop ID Theft Prevention Program.** Based on the Factual Allegations set
18 forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 16 CFR
19 681.1(b)(3)(i) for failing to develop a compliant Identity Theft Prevention program.

20 III. AUTHORITY TO IMPOSE SANCTIONS

21 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2), the Director may revoke
22 licenses for any violation of the Act.

23 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may
24 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a

1 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed
2 mortgage broker or any person subject to licensing under the Act for any violation of the Act.

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

6 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
7 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour
8 for an examiner's time devoted to an investigation.

9 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
10 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

16 **4.1** Respondent Secure Lending Inc.'s license to conduct the business of a mortgage
17 broker be revoked.

18 **4.2** Respondent Mehedi Hassan's license to conduct the business of a loan originator be
19 revoked.

20 **4.3** Respondent John Majorek's license to conduct the business of a loan originator be
21 revoked.

22 **4.4** Respondent Secure Lending, Inc. be prohibited from participation in the conduct of
23 the affairs of any mortgage broker subject to licensure by the Director, in any manner,
24 for a period of five years.

4.5 Respondent Mehedi Hassan be prohibited from participation in the conduct of the
affairs of any mortgage broker subject to licensure by the Director, in any manner, for
a period of five years.

