

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

In The Matter Of:

R & A ENTERPRISES INC.  
D.B.A. TAYLOR MORTGAGE LOANS,  
ROGER TAYLOR, DESIGNATED  
BROKER AND OWNER,

Respondents

NO. 2001-126-002

CONSENT ORDER

COMES NOW the Director, Division of Consumer Services, Department of Financial Institutions, (Director), and R & A Enterprises Inc. d/b/a Taylor Mortgage Loans and Roger Taylor, Designated Broker and Owner (hereinafter as "Respondents"), by and through their attorney, Steven Lacy, and finding that the issues raised in the 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 Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**I. 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 and Notice of Intention to Enter an Order Revoking License, Assessing Monetary Fines, and Prohibiting from Participation in the Industry No. 2001-126-C01, October 23, 2001 (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.

Based upon the foregoing:

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

B. It is AGREED that Respondents have been informed of the right to a hearing before an administrative law judge, and that they have waived same right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.

C. It is AGREED that the Mortgage Broker license held by R & A Enterprises, Inc. d/b/a Taylor Mortgage Loans (R & A) be subject to a suspended revocation for 3 years.

D. It is AGREED that Roger Taylor (Taylor) be subject to a suspended prohibition from participating in the mortgage broker industry as an officer, principal, employee, or loan originator for 3 years.

E. It is AGREED that R & A and Taylor refrain from applying for a new licensee or branch license under any name from the Department for a period of 3 years.

F. It is AGREED that R & A is subject to compliance examinations during the 3 year suspended revocation to be conducted at the Department's discretion (not to exceed one examination per calendar year), at R & A's expense (not to exceed \$3,000.00 per examinations).

G. It is AGREED that if the Department determines that Respondents are in violation of 19.146.0201 RCW, 19.146.030 RCW, or 19.146.050 RCW and the Department accordingly seeks to lift the stay and impose the balance of the fine (\$13,625), revocation, and prohibition the Department first will notify Respondents in writing of its determination. Respondents will be afforded 5 business days from the date of receipt of the Department's notification to request in

writing an expedited hearing. Respondents also may provide a written response to include any information pertaining to the alleged noncompliance.

H. It is AGREED that if Respondents do not request the expedited hearing within the stated time, the Department will impose the balance of the fine (\$13,625), revocation, and prohibition and pursue whatever action it deems necessary to collect the fine; the balance of \$13,625 shall become immediately due and payable. Payment must be made by cashier's check payable to the "Washington State Treasurer."

If requested, the hearing will be held within fifteen (15) business days (or as soon as the schedule of the ALJs permit) from the due date for Respondents' request for expedited hearing or from the date of receipt of Respondents' timely request for expedited hearing, whichever is sooner. The parties will accommodate the prompt scheduling of the hearing. The scope and issues of the expedited hearing are limited solely to whether or not Respondents are in violation of 19.146.0201 RCW, 19.146.030 RCW, or 19.146.050 RCW. At the conclusion of the expedited hearing, the ALJ will issue an initial decision. Either party may petition for review by the Director of the Department.

The Department's notification will include:

- i.) A description of the alleged noncompliance;
- ii.) A statement that because of the noncompliance, the Department seeks to lift the stay and impose the balance of the fine (\$13,625), revocation, and prohibition;
- iii.) The opportunity for Respondents to contest the Department's determination of noncompliance in an expedited hearing before an Administrative Law Judge (ALJ) with the Office of Administrative Hearings; and

iv.) The complete text of the agreed order which details the expedited hearing process. The notification and expedited hearing process provided in the agreed order applies only to the agreed order. It is solely provided in the event Respondents choose to contest the Department's determination of noncompliance with the terms and conditions of the agreed order.

I. It is AGREED that if the Department determines Respondents have satisfactorily complied with the terms and conditions of the agreed order, the stayed portion of the fine (\$13,625), revocation and prohibition will not be collected or imposed from Respondents.

J. It is AGREED that Respondents admit that certain disclosure documents being utilized by Respondents did not contain some of the language required by state law. Respondents believe that those forms have been corrected. Other than the admissions above, Respondents deny and were prepared to defend against the Department's allegations of non-compliance. Nevertheless, Respondents recognize that the Department would produce evidence which the Administrative Law Judge might find sufficient to prove that R&A and Taylor are in violation of RCW 19.46.0201, RCW 19.146.030, and RCW 19.146.050.

K. It is AGREED that R & A and Taylor immediately pay a fine in the amount of \$16,000. If Respondents do not make this payment in the manner and time specified, the remaining revocation and prohibition shall be imposed and the entire amount of the fine (\$29,625) shall become immediately due and payable.

L. It is AGREED that R & A and Taylor immediately pay investigation fees of \$2,160.00. If Respondents do not make this payment in the manner and time specified, the remaining revocation and prohibition shall be imposed and the entire amount of the fine (\$29,625) shall become immediately due and payable.

M. It is AGREED that R & A and Taylor must comply with the laws and statutes pertaining to the operation of a mortgage broker company, including but not limited to chapter 19.146 RCW and chapter 208-660 WAC. In particular, R & A must maintain all books and records

in compliance with RCW 19.146.060. Nothing in this Consent Order should be construed as preventing the Department from fully enforcing any provision of Title 19 of the Revised Code of Washington and Title 208 of the Washington Administrative Code.

N. It is AGREED that the undersigned has represented and warranted that he has the full power and right to execute this Consent Order on behalf of the party represented.

O. It is AGREED that the undersigned Respondents have voluntarily entered into this Consent Order, which is effective when signed by the Director's designee.

Dated this 1 day of August, 2002.

R&A Enterprises

BY: Roger Taylor  
Roger Taylor, Owner on behalf of R & A Enterprises Inc.  
d/b.a. Taylor Mortgage loans

8/1/02  
DATE

Roger Taylor  
Roger Taylor, Designated Broker and Individually

8/1/02  
DATE

Dated and Entered this 6<sup>th</sup> day of August, 2002.



Mark Thomson  
Mark Thomson, Director, Division of  
Consumer Services, Department of Financial  
Institutions