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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  
Mortgage Broker Practices Act of Washington by:

ANDREW ANGELO DELORENZO,

Respondent.

NO. C-07-447-07-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO DENY LICENSE APPLICATION  
AND PROHIBIT FROM INDUSTRY

**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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.310, 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 Deborah Bortner, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondent Andrew Angelo Delorenzo (Respondent Delorenzo)** submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under First Rate Financial LLC, a mortgage broker licensed under the Act. The on-line application was received by the Department on or about August 1, 2007.

**1.2 Prior Criminal Acts.** On August 2, 2002, Respondent Delorenzo was convicted of Assault 2<sup>nd</sup> Degree, a felony, pursuant to RCW 9A.36.021, in the Superior Court of the State of Washington in and for King County (Cause No. 02-800016971).

On September 23, 2003, Respondent Delorenzo was charged with Possession of Stolen Property in the Second Degree, a felony, pursuant to RCW 9A.56.140(1) and 9A.56.160(1)(c) in the Superior Court of the State of Washington in and for the County of Pierce Juvenile Court (Cause No 02-8-02081-7). On November 19,

<sup>1</sup> RCW 19.146 (Amended 2006; Effective January 1, 2007)

1 2002, Respondent Delorenzo pleaded guilty to the amended charge of Possession of Stolen Property in the  
2 Third Degree, a gross misdemeanor, pursuant to RCW 9A.56.140(1) and 9A.56.170(1) and (2).

3 **1.3 Responses to Application Questions.** The "Criminal Disclosure" section of the loan originator license  
4 application consists of eight questions, and includes the following instruction:

5 "If the answer to any of the following is "YES", provide complete details of all events or proceedings"

6 Respondent Delorenzo answered "no" to the following questions on the "Criminal Disclosure" section of his  
7 loan originator license application:

- 8 • 1-Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a  
9 domestic, foreign, or military court to any felony? If Yes; when and where?
- 10 • 2 - Have your ever been charged with any felony?
- 11 • 5 - Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a  
12 domestic, foreign, or military court to misdemeanor involving: financial services or a financial  
13 services-related business or any fraud, false statements or omissions, theft or any wrongful  
14 taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to  
15 commit any of these offenses.
- 16 • 6 - Have you ever been charged with a misdemeanor specified in 5?

17 Respondent Delorenzo was obligated by statute to answer questions on the loan originator license  
18 application truthfully and to provide the Department with complete details of all events or proceedings.

19 Respondent Delorenzo failed to disclose that he had been charged and convicted of the crimes outlined in  
20 paragraph 1.2.

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

22 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,  
23 Respondent Delorenzo fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c)  
24 by having been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony  
25 within seven years of the filing of the present application.

**2.2 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent  
Delorenzo is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making

1 any false statement or willfully making any omission of material fact in connection with any application or any  
2 information filed by a licensee in connection with any application, examination or investigation conducted by  
3 the Department.

4 **2.3 Requirement to Provide Information on License Application.** Based on the Factual Allegations set  
5 forth in Section I above, Respondent Delorenzo fails to meet the requirements of RCW 19.146.300(1) and (2)  
6 and RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form  
7 prescribed by the Director.

8 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set  
9 forth in Section I above, Respondent Delorenzo fails to meet the requirements of RCW 19.146.310(1)(g) and  
10 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the  
11 confidence of the community and to warrant a belief that the business will be operated honestly and fairly  
12 within the purposes of the Act.

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

14 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the  
15 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the  
16 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by  
17 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application  
18 of the denial.

19 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue  
20 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed  
21 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker  
22 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

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

24 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth  
25 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis

1 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.

2 Therefore, it is the Director's intention to ORDER that:

3 **4.1** Respondent Andrew Angelo Delorenzo's application for a loan originator license be denied.

4 **4.2** Respondent Andrew Angelo Delorenzo's be prohibited from participation in the conduct of the affairs of  
5 any mortgage broker subject to licensure by the Director, in any manner, through August 1, 2017.

6 **V. AUTHORITY AND PROCEDURE**

7 This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and  
8 Prohibit from Industry (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220,  
9 RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05  
10 RCW (The Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in  
11 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this  
12 Statement of Charges.

13 Dated this 18<sup>th</sup> day of November, 2007.


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15 \_\_\_\_\_  
16 DEBORAH BORTNER

17 Director  
18 Division of Consumer Services  
19 Department of Financial Institutions

20 Presented by:

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22 \_\_\_\_\_  
23 WILLIAM HALSTEAD  
24 Financial Legal Examiner

25 Approved by:

  
\_\_\_\_\_  
FATIMA BATIE  
Financial Legal Examiner Supervisor

