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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:

ROBBIE TROY FUSON,
Respondent.

NO. C-08-073-08-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), pursuant to RCW 34.05.440(2). On March 4, 2008, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and Prohibit from Industry (Statement of Charges). 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 March 5, 2008, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing. The Department served the Statement of Charges, cover letter dated March 5, 2008, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing on Respondent on March 5, 2008 by first class mail and Federal Express overnight delivery.

On March 24, 2008, Respondent filed an Application for Adjudicative Hearing. On April 2, 2008, the Department made a request to the Office of Administrative Hearings (OAH) to assign an Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges. On May 2, 2008, OAH issued a Notice of Pre-Hearing Conference assigning ALJ Richard J. Roberts (ALJ

1 Roberts) to preside over a prehearing and scheduling a prehearing on Wednesday, May 21, 2008 at
2 8:30 a.m. That Notice contained the following instruction to the parties: **“Your pre hearing will be**
3 **conducted by telephone. To register your appearance you must call the Office of Administrative**
4 **Hearings ten (10) minutes before the scheduled hearing time at”** That Notice also stated “A
5 party who fails to attend or participate in the hearing or other stage of the adjudicative proceeding,
6 including a pre-hearing, may be held in default in accordance with RCW 34.05.440 and .434. If that
7 party failing to appear is the appellant, the matter may be dismissed without prejudice. If the party
8 failing to appear is the non-appellant the matter may proceed without that party.”
9

10 On May 27, 2008, ALJ Roberts issued a Notice of Continuance of Pre-Hearing Conference re-
11 scheduling the prehearing conference for Wednesday, June 11, 2008 at 1:30 p.m. This Notice
12 contained the same instructions that were contained in the May 2, 2008 Notice of Pre-Hearing
13 Conference.

14 On June 11, 2008, the prehearing conference hearing was convened by ALJ Roberts at 1:30
15 p.m. Respondent failed to appear. The Department moved for an order of default based on
16 Respondent’s failure to appear. On June 12, 2008, ALJ Roberts issued an Initial Order of Dismissal
17 (Initial Order) ordering that the Respondent was in default and dismissing the proceedings. On June
18 12, 2008, ALJ Roberts sent the Initial Order to the address provided by Respondent in his Application
19 for Adjudicative Hearing.
20

21 Pursuant to RCW 34.05.440(3), Respondent had seven (7) days from the date of service of the
22 Initial Order to file a written motion with OAH requesting that the Initial Order be vacated, and stating
23 the grounds relied upon. Respondent did not make a request to vacate during the statutory period.

24 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent had twenty (20) days from the date of
25

1 service of the Initial Order to file a Petition for Review of the Initial Order with the Director.

2 Respondent did not file a Petition for Review during the statutory period.

3 B. Record Presented. The record presented to the Director for his review and for entry of
4 a final decision included the following:

- 5 1. Statement of Charges, cover letter dated March 5, 2008, and Notice of Opportunity to
6 Defend and Opportunity for Hearing, with documentation of service;
- 7 2. Application for Adjudicative Hearing;
- 8 3. Request to OAH for Assignment of Administrative Law Judge;
- 9 4. Notice Pre-Hearing Conference dated May 2, 2008, with documentation of service;
- 10 5. Notice of Continuance of Pre-hearing Conference dated May 27, 2008, with
11 documentation of service;
- 12 6. Initial Order of Dismissal dated June 12, 2008.

13 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(2), the
14 Director hereby adopts the Statement of Charges, which is attached hereto.

15 II. FINAL ORDER

16 Based upon the foregoing, and the Director having considered the record and being
17 otherwise fully advised, NOW, THEREFORE:

18 A. IT IS HEREBY ORDERED, That:

- 19 1. Respondent Robbie Troy Fuson's application for a loan originator license is denied;
20 and
- 21 2. Respondent Robbie Troy Fuson is banned from participation in the conduct of the
22 affairs of any mortgage broker subject to licensure by the Director, in any manner,
through February 1, 2015.

23 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
24 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition

1 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
2 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
3 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
4 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
5 Reconsideration a prerequisite for seeking judicial review in this matter.

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

9
10 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
11 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
12 Review made under chapter 34.05 RCW and RCW 34.05.550.

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

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

19
20 DATED this 16th day of December 2008.

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS


SCOTT JARVIS
DIRECTOR



ORDER --
ROBBIE TROY FUSON
C-08-073-08-FO01

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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:

ROBBIE TROY FUSON,

Respondent.

NO. C-08-073-08-SC01

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

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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)¹. 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:

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I. FACTUAL ALLEGATIONS

1.1 Respondent Robbie Troy Fuson (Respondent Fuson) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under American Freedom Group, Inc, a mortgage broker licensed under the Act. The on-line application was received by the Department on or about February 1, 2008².

1.2 Prior Criminal Acts.

A. On or about March 29, 2007, Respondent Fuson was charged with First Degree Theft and Trafficking in Stolen property in the First Degree in Spokane County, Washington. On or about October 9, 2007, Respondent Fuson pled guilty and was convicted in Spokane County Superior Court of First Degree Theft, a Class B Felony pursuant to RCW 9A.56.030(1)(A)

¹ RCW 19.146 (Amended 2006; Effective January 1, 2007)

² Respondent Fuson filed the initial application on or about April 11, 2007 and withdrew it on or about November 21, 2007.

1 **B.** On or about December 7, 1994, Respondent Fuson was charged with Third Degree Theft in
2 Spokane County, Washington. On or about December 7, 1994, Respondent Fuson pled guilty
3 and was convicted in Spokane County Superior Court of Third Degree Theft, a Gross
4 Misdemeanor pursuant to RCW 9A.56.050.

5 **1.3 Outstanding Warrants or Liens:** On or about June 4, 1992, The State of Washington, through the
6 Employment Security Department, issued a warrant for overpaid unemployment compensation against
7 Respondent Fuson. The Aggregate amount of the warrant was docketed as a lien upon the title to, and interest in
8 all real and personal property of Respondent Fuson.

9 **1.4 Responses to Application Questions.**

10 **A.** The "Criminal Disclosure" section of the loan originator license application consists of eight
11 questions, and includes the following instruction:

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

13 Respondent Fuson answered "no" to the following questions on the "Criminal Disclosure" section of his loan
14 originator license application:

- 15 • 1-Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
16 domestic, foreign, or military court to any felony? If yes, when and where?
- 17 • 2-Have you ever been charged with any felony?
- 18 • 5-Have you ever been convicted of or plead guilty or nolo contendere ("no contest") in a
19 domestic, foreign, or military court to misdemeanor involving: financial services or a
20 financial services related business or any fraud, false statements or omissions, theft, or any
21 wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or conspiracy
22 to commit any of these offenses?
- 23 • 6-Have you ever been charged with a misdemeanor specified in 5?

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

1 B. The "Financial Disclosure" section of the loan originator license application consists of four
2 questions, and includes the following instruction:

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

4 Respondent Fuson answered "no" to the following question on the "Financial Disclosure" section of his loan
5 originator license application:

- 6 • 4. Do you have any unsatisfied judgments or liens against you?

7 Respondent Fuson failed to disclose that he had personal unsatisfied lien filed by The State of Washington,
8 through the Employment Security Department for overpaid unemployment compensation.

9 II. GROUNDS FOR ENTRY OF ORDER

10
11 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
12 Respondent Fuson fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by
13 having been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony within
14 seven years of the filing of the present application.

15 **2.2 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent
16 Fuson is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making
17 any false statement or willfully making any omission of material fact in connection with any application or any
18 information filed by a licensee in connection with any application, examination or investigation conducted by
19 the Department.

20 **2.3 Requirement to Provide Information on License Application.** Based on the Factual Allegations set
21 forth in Section I above, Respondent Fuson fails to meet the requirements of RCW 19.146.300(1) and (2) and
22 RCW 19.146.310(1)(b) by failing to provide an accurate and complete license application in the form
23 prescribed by the Director.

24 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
25 forth in Section I above, Respondent Fuson fails to meet the requirements of RCW 19.146.310(1)(g) and WAC

1 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of
2 the community and to warrant a belief that the business will be operated honestly and fairly within the purposes
3 of the Act.

4
5 **II. AUTHORITY TO IMPOSE SANCTIONS**

6 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
7 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the
8 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
9 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
10 of the denial.

11 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
12 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
13 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
14 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

15
16 **III. NOTICE OF INTENTION TO ENTER ORDER**

17 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
18 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
19 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.
20 Therefore, it is the Director's intention to ORDER that:

21 **4.1** Respondent Robbie Troy Fuson's application for a loan originator license be denied.

22 **4.2** Respondent Robbie Troy Fuson be prohibited from participation in the conduct of the affairs of any
23 mortgage broker subject to licensure by the Director, in any manner, through February 1, 2015.


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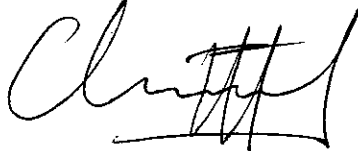
IV. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and Prohibit from Industry (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). Respondent 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 4th day of March, 2008.


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



CHARLES E. WOODE
Financial Legal Examiner



Approved by:



FATIMA BATIE
Financial Legal Examiner Supervisor