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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

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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.

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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).

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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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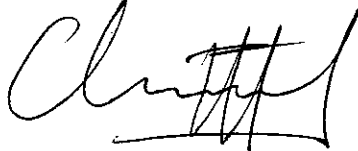
IV. AUTHORITY AND PROCEDURE

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