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**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:

PLANET FINANCIAL, LLC AND KRISTYN
LEIGH DICE,

Respondents.

NO. C-08-057-09-CO01

CONSENT ORDER FOR
PLANET FINANCIAL LLC

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Planet Financial LLC (hereinafter Respondent Planet), 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 Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-08-057-08-SC01 (Statement of Charges), entered December 18, 2008, (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, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees 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.

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Based upon the foregoing:

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

1 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing before
2 an administrative law judge, and it hereby waive their right to a hearing and any and all administrative and judicial
3 review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent, by its
4 signature below, withdraws its appeal to the Office of Administrative Hearings.

5 **C. Stipulation to Facts.** It is AGREED that Respondent admits and stipulates to the Factual Allegations
6 in Section 1 of the Statement of Charges No. C-08-057-08-SC01, which is incorporated by reference into this
7 Consent Order.

8 **D. Agreement not to Apply.** It is AGREED that the principals of Respondent Planet will not apply for a
9 mortgage broker or consumer loan license issued by the Department pursuant to the respective Acts for a period of
10 5 years from the entry of this Consent Order. It is further AGREED that should the principals of Respondent Planet
11 apply for a license with the Department after the 5 year period, they will be required to comply with all licensing
12 requirements in effect at the time of application. Nothing in this agreement shall preclude the principals of
13 Respondent Planet from applying for a loan originator license with the Department pursuant to the respective Acts.

14 **E. Future Applications.** It is AGREED that the conduct giving rise to the issuance of the above-
15 referenced Statement of Charges will not be considered by the Department, once the prohibition has expired, in the
16 assessment of any future applications, by the principals, for a mortgage broker or consumer loan license in the state
17 of Washington in the event principals wish to pursue such applications. It is also AGREED that nothing in this
18 agreement will be considered by the Department in the assessment of any future application by the principals for a
19 loan originator license in the state of Washington in the event principals wish to pursue such applications.

20 **F. Prohibition from Industry.** It is AGREED that Respondent is prohibited from participation in the
21 conduct of the affairs of any mortgage broker or consumer loan company subject to licensure by the Director, in any
22 manner, for a period of 5 years from the entry of this Consent Order.

23 **G. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an investigation fee of
24 \$1,440, in the form of a cashier's check or money order made payable to the "Washington State Treasurer," upon
25 entry of this Consent Order.

1 **H. Authority to Execute Order.** It is AGREED that the undersigned Respondent has represented and
2 warranted that it has the full power and right to execute this Consent Order on behalf of the party represented.

3 **I. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide by
4 the terms and conditions of this Consent Order may result in further legal action by the Director. In the event of
5 such legal action, Respondent may be responsible to reimburse the Director for the cost incurred in pursuing
6 such action, including but not limited to, attorney fees.

7 **J. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the consent of
8 any person or entity not mentioned in this Consent Order to take any action concerning their personal legal rights.
9 It is further AGREED that for any person or entity not mentioned in this Consent Order, this Consent Order does
10 not limit or create any private rights or remedies against Respondent, limit or create liability of Respondent, or limit
11 or create defenses of Respondent to any claims.

12 **K. Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily entered into
13 this Consent Order, which is effective when signed by the Director's designee.

14 **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Consent
15 Order in its entirety and fully understands and agrees to all of the same.

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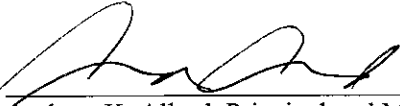
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1 **RESPONDENT:**

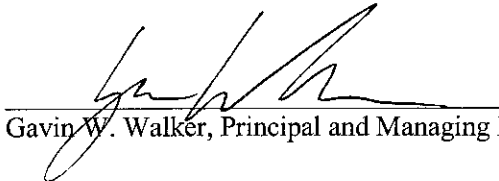
2 **PLANET FINANCIAL LLC**

3 By:

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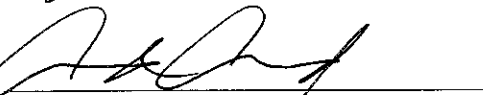
5 Andrew K. Allred, Principal and Managing Member

9/23/09
Date

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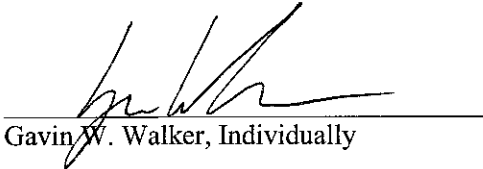
7 Gavin W. Walker, Principal and Managing Member

9/23/09
Date

8 

9 Andrew K. Allred, Individually

9/23/09
Date

10 

11 Gavin W. Walker, Individually

9/23/09
Date

12
13 Approved as to form:
14 Foster Pepper, PLLC

15 

16 Laura Marquez-Garrett, WSBA No. 41010
17 Attorney for Respondent Planet Financial, LLC

9/25/09
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 7th DAY OF October, 2009.



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



WILLIAM HALSTEAD
Financial Legal Examiner

Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief

**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:

PLANET FINANCIAL, LLC AND KRISTYN
LEIGH DICE,

Respondents.

NO. C-08-057-08-SC01

STATEMENT OF CHARGES and NOTICE OF
INTENTION TO ENTER AN ORDER TO PROHIBIT
FROM INDUSTRY, IMPOSE FINE, ORDER
RESTITUTION, AND COLLECT INVESTIGATION
FEE

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 19.146.235, 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 Respondents.

A. **Planet Financial, LLC (Planet)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on March 21, 2007, and has continued to be licensed to date. Respondent Planet is licensed to conduct the business of a mortgage broker at 3245 146th PL SE, Suite 250 Bellevue, Washington 98007.

B. **Kristyn Leigh Dice (Dice)** is not and has never been licensed to conduct the business of a mortgage broker or loan originator by the Department. Respondent Dice applied for a loan originator license on December 5, 2007, but withdrew the application on December 10, 2007. Respondent Dice re-applied for a loan originator license on January 3, 2008, and withdrew her application on July 15, 2008. Respondent Dice was employed by Respondent Planet during all time frames relevant to this Statement of Charges.

¹ RCW 19.146 (2006)

1 **1.2 Unlicensed Activity.** Between September 2007 and May 2008, Respondent Planet and Respondent
2 Dice assisted at least 4 borrowers in applying, and obtaining, residential mortgage loans on property located in
3 the State of Washington. These loans were originated by Respondent Dice when she did not have a license to
4 conduct the business of a loan originator. The borrowers involved in these residential mortgage loans paid fees
5 to Respondent Planet and Respondent Dice totaling \$ 27,326.98 as follows:

Borrower A.H. (10-12-07)	\$ 5,497.99
Borrower A.P. (12-21-07)	\$ 6,795.00
Borrower A.H. (04-08-08)	\$ 6,182.00
Borrower S.L. (05-07-08)	<u>\$ 8,851.99</u>
Total	\$ 27,326.98

9 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
10 Respondents continues to date.

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

12 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-006,
13 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or
14 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential
15 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a
16 person in obtaining or applying to obtain a residential mortgage loan.

17 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10) and WAC 208-660-006, "Loan
18 originator" means a natural person who (a) takes a residential mortgage loan application for a mortgage broker,
19 or (b) offers or negotiates terms of a mortgage loan, for direct or indirect compensation or gain, or in the
20 expectation of direct or indirect compensation or gain. "Loan originator" also includes a person who holds
21 themselves out to the public as able to perform any of these activities.

22 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(2), a "Borrower" is defined as any person who
23 consults with or retains a mortgage broker or loan originator in an effort to obtain or seek advice or information
24 on obtaining or applying to obtain a residential mortgage loan for himself, herself, or persons including himself
25 or herself, regardless of whether the person actually obtains such a loan.

1 **2.4 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in
2 apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme, device or
3 artifice to defraud or mislead borrowers or lenders or any person, engaging in an unfair or deceptive practice
4 toward any person and obtaining property by fraud or misrepresentation.

5 **2.5 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section
6 I above, Respondent Dice is in apparent violation of RCW 19.146.200 for engaging in the business of a
7 mortgage broker and loan originator without first obtaining and maintaining a license under the Act.

8 9 **III. AUTHORITY TO IMPOSE SANCTIONS**

10 **3.1 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
11 orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker, or both, any
12 officer, principal, employee, or loan originator of any licensed mortgage broker or any person subject to
13 licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030 through
14 RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265.

15 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(3)(a), the Director may impose fines on a
16 licensee, employee or loan originator of the licensee, or other person subject to the Act for any violations of
17 RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW
18 19.146.205(4), or RCW 19.146.265.

19 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2)(e), the Director may issue orders
20 directing a licensee, its employee or loan originator, or other person subject to the Act to pay restitution for any
21 violation of this chapter.

22 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), upon completion of any
23 investigation of the books and records of a licensee or other person subject to the Act, the Department will furnish
24 to the licensee or other person subject to the Act a billing to cover the cost of the investigation. The investigation
25 charge will be calculated at the rate of \$48 per hour that each staff person devoted to the investigation.

1 **3.5 Liability of Mortgage Broker.** Pursuant to RCW 19.146.245, a licensed mortgage broker is liable for any
2 conduct violating this chapter by the designated broker, a loan originator, or other licensed mortgage broker while
3 employed or engaged by the licensed mortgage broker.

4 **IV. NOTICE OF INTENTION TO ENTER ORDER**

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

9 **4.1** Respondent Kristyn Leigh Dice be prohibited from participation in the conduct of the affairs of any
10 mortgage broker subject to licensure by the Director, in any manner, for a period of 5 years; and

11 **4.2** Respondents Planet Financial LLC and Kristyn Leigh Dice jointly and severally pay a fine, as of the date of
this Statement of Charges, of \$5,000;

12 **4.3** Respondents Planet Financial LLC and Kristyn Leigh Dice jointly and severally pay restitution to all
13 borrowers in the amount of \$27,326.98.

14 **4.4** Respondents Planet Financial LLC and Kristyn Leigh Dice jointly and severally pay an investigation fee,
as of the date of this Statement of Charges, in the amount of \$1,440 calculated at \$48 per hour for the 30
15 staff hours devoted to the investigation.

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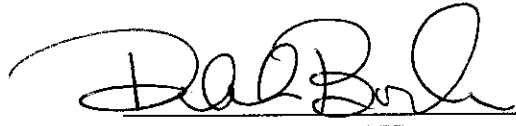
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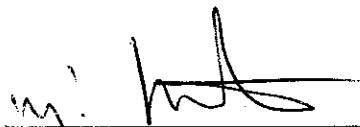
V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Prohibit from Industry, Impose Fine, Order Restitution, and Collect Investigation Fee (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). Respondents 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 18th day of December, 2008.


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


WILLIAM HALSTEAD
Financial Legal Examiner

Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief



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**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:

PLANET FINANCIAL, LLC AND KRISTYN
LEIGH DICE,

Respondents.

C-08-057-08-SC01

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

THE STATE OF WASHINGTON TO: PLANET FINANCIAL, LLC AND
KRISTYN LEIGH DICE

YOU ARE HEREBY NOTIFIED that a STATEMENT OF CHARGES has been filed by the Department
of Financial Institutions, a true and correct copy of which is attached and made a part hereof.

YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the
Washington State Department of Financial Institutions on the Statement of Charges. Service of this notice is
deemed complete upon deposit in the United States mail. YOUR APPLICATION MUST BE RECEIVED BY
THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS FROM THE DATE
YOU RECEIVED THIS NOTICE. If you demand a hearing, you will be notified of the time and place for the
hearing at least seven (7) days in advance of the hearing date.

At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as informal
as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05 RCW). The hearing
will be recorded. The primary concern will be getting to the truth of the matter insofar as the Statement of Charges
is concerned. Technical rules of evidence will not be binding at the hearing except for the rules of privilege
recognized by law. You have the right to present evidence and witnesses in your own behalf, and to cross-examine
those witnesses presented in support of the Statement of Charges. You may require the attendance of witnesses by
subpoena. If you are limited English- speaking or hearing impaired, you have the right to have an interpreter
appointed at no cost to you, as discussed below.

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

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