

# Terms Completed

## ORDER SUMMARY – Case Number: C-08-415

**Name(s):** Mortgage Financial Group Corp  
George Ronald Andersen  
Sue Pearce

**Order Number:** C-08-415-09-CO01

**Effective Date:** April 28, 2009

**License Number:** DFI: 30082 [NMLS: 3129] –Mortgage Financial  
**Or NMLS Identifier [U/L]** DFI: 30083 [NMLS: 28861] -Andersen  
DFI: [NMLS: 28862] -Pearce  
(Revoked, suspended, stayed, application denied or withdrawn)  
 If applicable, you must specifically note the ending dates of terms.

**License Effect:** n/a

**Not Apply Until:** n/a

**Not Eligible Until:** \_\_\_\_\_

**Prohibition/Ban Until:** n/a

<b>Investigation Costs</b>	\$168	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$960	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

**Comments:** \_\_\_\_\_  
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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

NO. C-08-415-09-CO01

MORTGAGE FINANCIAL GROUP CORP;  
GEORGE R. ANDERSEN, Designated Broker,  
Owner, and Secretary; and SUE PEARCE,  
President and Owner,

CONSENT ORDER

Respondents.

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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 Mortgage Financial Group Corp (hereinafter Respondent Mortgage Financial), George R. Andersen, Designated Broker, Owner, and Secretary (hereinafter Respondent Andersen), and Sue Pearce, President and Owner (hereinafter Respondent Pearce), 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:

**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 No. C-08-415-08-SC01 (Statement of Charges), entered December 23, 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, 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. The parties intend this Consent Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER  
C-08-415-08-CO01  
Mortgage Financial Group Corp, George R.  
Andersen, and Sue Pearce

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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

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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.

B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing before an administrative law judge, and that they have waived their 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. **Fine.** It is AGREED that Respondents shall pay to the Department a fine of \$960, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

D. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an investigation fee of \$168, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

E. **Authority to Execute Order.** It is AGREED that the undersigned Respondents have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

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

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

H. **Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read this Consent Order in its entirety and fully understand and agree to all of the same.

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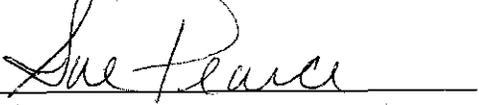
1 **RESPONDENTS:**

2 **Mortgage Financial Group Corp.**

3 By:

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George R. Andersen  
5 Designated Broker, Owner, Secretary

2/19/09  
Date

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Sue Pearce  
7 President and Owner

2/19/09  
Date

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George R. Andersen  
9 Individually

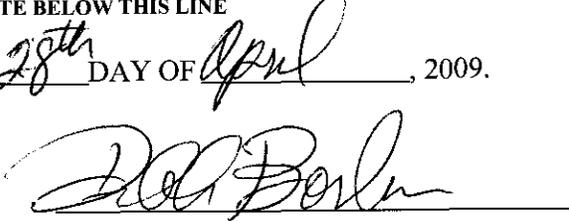
2/19/09  
Date

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Sue Pearce  
11 Individually

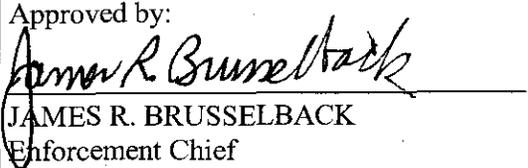
2/19/09  
Date

12 **DO NOT WRITE BELOW THIS LINE**

13 THIS ORDER ENTERED THIS 28th DAY OF April, 2009.

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15 DEBORAH BORTNER  
16 Director  
17 Division of Consumer Services  
18 Department of Financial Institutions

19 Presented by:  
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21 DEBORAH PINSONNEAULT  
22 Financial Legal Examiner

23 Approved by:  
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25 JAMES R. BRUSSELBACK  
Enforcement Chief



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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

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MORTGAGE FINANCIAL GROUP CORP;  
GEORGE R. ANDERSEN, Designated Broker,  
Owner, and Secretary; SUE PEARCE, President  
and Owner,

Respondents.

NO. C-08-415-08-SC01

STATEMENT OF CHARGES and NOTICE OF  
INTENTION TO ENTER AN ORDER TO IMPOSE  
FINE 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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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. **Mortgage Financial Group Corp (Respondent Mortgage Financial)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on or about May 26, 2007, and continued to be licensed through December 31, 2007, when its license expired<sup>2</sup>. Respondent Mortgage Financial renewed its license on January 17, 2008. Respondent Northwest was not licensed from January 1, 2008, through January 16, 2008.

B. **George R. Andersen (Respondent Andersen)** is the Designated Broker, Owner, and Secretary of Respondent Mortgage Financial. Respondent Andersen obtained licensure as the Designated Broker of Respondent Mortgage Financial on November 15, 2006, and continues to be licensed to date.

<sup>1</sup> RCW 19.146 (2006).

<sup>2</sup> RCW 19.146.210(4).

- 1 C. **Sue Pearce (Respondent Pearce)** is President and Owner of Respondent Mortgage Financial.
- 2 **1.2 Untimely Renewal of Mortgage Broker License.** In order to continue conducting business in 2008,  
3 Respondents were required to renew their mortgage broker license before January 1, 2008. Respondents did not  
4 renew their mortgage broker license timely and as a result could not conduct the business of a mortgage broker  
5 until their license was renewed on January 17, 2008.
- 6 **1.3 Unlicensed Activity.** Between January 1, 2008, and January 16, 2008, Respondents performed activity  
7 that would require licensure as a mortgage broker under the Act.
- 8 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
9 Respondents continues to date.

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

- 11 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-006,  
12 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or  
13 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential  
14 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a  
15 person in obtaining or applying to obtain a residential mortgage loan.
- 16 **2.2 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
17 apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme, device or  
18 artifice to defraud or mislead borrowers or lenders or any person, for engaging in an unfair or deceptive practice  
19 toward any person, and for obtaining property by fraud or misrepresentation.
- 20 **2.3 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section  
21 I above, Respondents are in apparent violation of RCW 19.146.200 for engaging in the business of a mortgage  
22 broker without first obtaining and maintaining a license under the Act.
- 23 **2.4 Requirement to Timely Renew License and Refrain from Conducting Business.** Based on the  
24 Factual Allegations set forth in Section I above, Respondents are in apparent violation of WAC 208-660-  
25 163(16), (17), and (18) for continuing to conduct the business of a mortgage broker after failing to timely renew  
a license under the Act.

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**III. AUTHORITY TO IMPOSE SANCTIONS**

**3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e), and (3)(a), the Director may impose fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act for any violations of RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265, or any violation of the Act.

**3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC 208-660-550(5), upon completion of any investigation of the books and records of a licensee or other person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person devoted to the investigation.

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

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

**4.1** Respondents Mortgage Financial Group Corp., George R. Andersen, and Sue Pearce jointly and severally pay a fine of \$1,200 and;

**4.2** Respondents Mortgage Financial Group Corp., George R. Andersen, and Sue Pearce jointly and severally pay an investigation fee, which as of the date of these charges is \$168 calculated at \$48 per hour for 3.5 staff hours devoted to the investigation.

**V. AUTHORITY AND PROCEDURE**

This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine 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

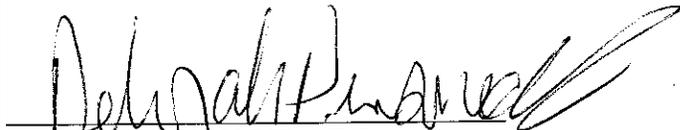
1 in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying  
2 this Statement of Charges.

3 Dated this 23<sup>rd</sup> day of December, 2008.

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6 DEBORAH BORTNER  
7 Director Division of Consumer Services  
8 Department of Financial Institutions

9 Presented by:

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11 DEBORAH PINSONNEAULT  
12 Financial Legal Examiner



13 Approved by:

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15 JAMES R. BRUSSELBACK  
16 Enforcement Chief

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