

Terms Completed

ORDER SUMMARY – Case Number: C-09-180

Name(s): EAM Settlement Services

Order Number: C-09-180-09-CO01

Effective Date: November 23, 2009

License Number: none

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)

License Effect: none
If applicable, you must specifically note the ending dates of terms.

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

Investigation Costs	\$687.50	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$15,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

1
2
3
4
5
6
7

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act of Washington
by:

NO. C-09-180-09-CO01

EAM SETTLEMENT SERVICES, INC.,

CONSENT ORDER

Respondent.

8
9
10
11
12
13
14

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and EAM Settlement Services, Inc. (hereinafter Respondent), 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 18.44 of the Revised Code of Washington (RCW) and RCW 34.05.060 of the Administrative Procedure Act based on the following:

15
16

AGREEMENT AND ORDER

17
18
19
20
21
22
23
24
25

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-09-180-09-SC01 (Statement of Charges), entered July 30, 2009, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration 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. Respondent is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER
C-09-180-09-CO01
EAM SETTLEMENT SERVICES, INC.

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

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
5 hearing before an administrative law judge, and that Respondent hereby waives its right to a hearing and
6 any and all administrative and judicial review of the issues raised in this matter, or of the resolution
7 reached herein. Accordingly, Respondent, by the authorized signature below, hereby withdraws its
8 appeal in this matter.

9
10 C. **Admission of Liability.** It is AGREED that Respondent violated RCW 18.44.021 by
11 engaging in business as an Escrow Agent with respect to transactions involving real property located in
12 the State of Washington without first obtaining a licensed to do so.

13 D. **Fine.** It is AGREED that Respondent shall pay to the Department a fine of \$15,000 in the
14 form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent
15 Order.

16 E. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
17 investigation fee of \$687.50 in the form of a cashier's check made payable to the "Washington State
18 Treasurer" upon entry of this Consent Order. The fine and investigation fee may be paid together in the
19 form of a single cashier's check made payable to the "Washington State Treasurer."
20

21 F. **Maintenance of Files.** It is AGREED that Respondent will maintain all records of
22 Washington Escrow transactions for six years following the closing or termination of the escrow
23 transaction.

24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

G. Authority to Execute Order. It is AGREED that the undersigned Respondent has represented and warranted that he has the full power and right to execute this Consent Order on behalf of the Respondent.

H. Non-Compliance with Order. It is AGREED that Respondent understands 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, Respondent may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

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

J. Completely Read, Understood, and Agreed. It is AGREED that Respondent has read this Consent Order in its entirety and fully understand and agree to all of the same.

RESPONDENT:

EAM Settlement Services, Inc.

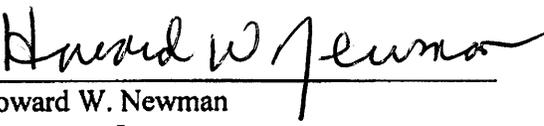
By:



Kenneth Golden
President

11/11/09
Date

Approved as to Form:



Howard W. Newman
Attorney at Law
Attorney for Respondent

11/11/09
Date

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 23rd DAY OF November, 2009.



Handwritten signature of Deborah Bortner in black ink.

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

Handwritten signature of Steven C. Sherman in black ink.

STEVEN C. SHERMAN
Financial Legal Examiner

Approved by:

Handwritten signature of James R. Brusselback in black ink.

JAMES R. BRUSSELBACK
Enforcement Chief

CONSENT ORDER
C-09-180-09-CO01
EAM SETTLEMENT SERVICES, INC.

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

1
2
3 **STATE OF WASHINGTON**
4 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
5 **DIVISION OF CONSUMER SERVICES**

6 IN THE MATTER OF DETERMINING
7 Whether there has been a violation of the
8 Escrow Agent Registration Act of Washington
9 by:

10 **EAM SETTLEMENT SERVICES, INC.,**

11 Respondent.

12 NO. C-09-180-09-SC01

13 STATEMENT OF CHARGES and
14 NOTICE OF INTENT TO IMPOSE FINE
15 AND COLLECT INVESTIGATION FEE

16 **INTRODUCTION**

17 Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions (Director) is
18 responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (the Act).
19 After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680G-020, and
20 based upon the facts available as of the date of this Statement of Charges, the Director, through his
21 designee, Deborah Bortner, Division Director, Division of Consumer Services, institutes this proceeding
22 and finds as follows:

23 **I. FACTUAL ALLEGATIONS**

24 **1.1 Respondent. EAM Settlement Services, Inc., (Respondent)** is headquartered in Melville,
25 New York. Respondent has never been licensed by the Department of Financial Institutions of the
State of Washington (Department) to conduct business as an escrow agent in the State of Washington.

1.2 Unlicensed Activity. Between at least January 1, 2008, and February 28, 2009, Respondent
performed escrow functions for a fee in at least 33 Washington residential mortgage loan transactions.
Respondent received approximately \$27,000 as fees for its services in those loans.

1 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act
2 by Respondent continues to date.

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

4 **2.1 Definition of Escrow.** Pursuant to RCW 18.44.011(4), "Escrow" means any transaction wherein
5 any person or persons, for the purpose of effecting and closing the sale, purchase, exchange, transfer,
6 encumbrance, or lease of real or personal property to another person or persons, delivers any written
7 instrument, money, evidence of title to real or personal property, or other thing of value to a third
8 person to be held by such third person until the happening of a specified event or the performance of a
9 prescribed condition or conditions, when it is then to be delivered by such third person, in compliance
10 with instructions under which he or she is to act, to a grantee, grantor, promisee, promisor, obligee,
11 obligor, lessee, lessor, bailee, bailor, or any agent or employee thereof.

13 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(6) "Escrow Agent" means any person
14 engaged in the business of performing for compensation the duties of the third person referred to in
15 RCW 18.44.011(4).

16 **2.3 Requirement to Obtain and Maintain License.** Based on the factual allegations set forth in
17 Section I above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as an
18 escrow agent by performing escrows or any of the functions of an escrow agent within the State of
19 Washington or with respect to transactions that involve personal property or real property located in
20 the State of Washington without first obtaining a license.

22 **III. AUTHORITY TO IMPOSE SANCTIONS**

23 **3.1 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in
24 addition to or in lieu of license denial the Director may impose a fine of up to \$100 per day for each day's
25 violation of the Act.

1 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680G-
2 050, the expense of an investigation pursuant to WAC 208-680G-020 shall be borne by the entity which
3 is the subject of the investigation.

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

5 Respondent's violations of the provisions of chapter 18.44 RCW as set forth in the above Factual
6 Allegations and Grounds For Entry Of Order constitute a basis for the entry of an Order under RCW
7 18.44.410, RCW 18.44.430, RCW 18.44.301, and WAC 208-680G-030, which authorize the Director to
8 enforce all laws, rules, and regulations related to the registration of escrow agents and licensing of escrow
9 officers. Therefore, it is the Director's intention to ORDER that:
10

11 **4.1** Respondent EAM Settlement Services, Inc., pay a fine which as of the date of these
12 charges totals \$27,000; and

13 **4.2** Respondent EAM Settlement Services, Inc., pay an investigation fee which as of the
14 date of these charges totals \$687.50, calculated at \$62.50 per hour for 11 staff hours
devoted to the investigation to date; and

15 **4.3** Respondent EAM Settlement Services, Inc., its officers, employees, and agents maintain
16 all records involving Washington escrow transactions for a minimum of six years
following the closing or termination of the escrow transaction.

17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

V. AUTHORITY AND PROCEDURE

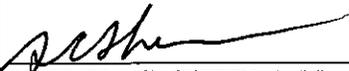
This Statement of Charges and Notice of Intent to Impose Fine and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 18.44.410 and RCW 18.44.430, and is subject to the provisions of chapter 34.05 RCW. Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

DATED this 30th day of July, 2009.

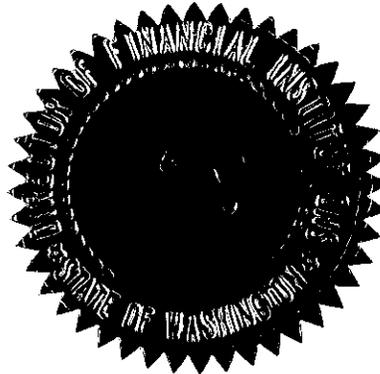


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



STEVEN C. SHERMAN
Financial Legal Examiner



Approved by:



JAMES R. BRUSSELBACK
Enforcement Chief

1
2
3
4
5
6
7
8

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act of Washington
by:

EAM SETTLEMENT SERVICES, INC.,

Respondent.

C-09-180-09-SC01

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

9 THE STATE OF WASHINGTON TO: EAM SETTLEMENT SERVICES, INC.

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

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

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

1 INTERPRETER AVAILABILITY. If you or a witness for you is a person who, because of non-English-
2 speaking cultural background, cannot readily speak or understand the English language, or if you or a witness for
3 you is a person who, because of a hearing impairment or speech defect, cannot readily understand or communicate
4 in spoken language, including persons who are deaf, deaf and blind, or hard of hearing, AND YOU NEED AN
5 INTERPRETER, then a qualified interpreter will be appointed at no cost to you or to the witness. You may request
6 the appointment of a qualified interpreter by indicating your request on the attached Application for Adjudicative
7 Hearing form.

8 YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not RECEIVE the
9 Application for Adjudicative Hearing form within 20 days from the date you received this notice, this will
10 constitute a waiver of your right to a hearing and the Director will find that you do not contest the allegations of the
11 Statement of Charges. Upon such a finding by the Director a final order will be immediately entered disposing of
12 this matter as described in the Statement of Charges. If you desire a hearing in this matter, please return the
13 attached Application for Adjudicative Hearing to:

14 Department of Financial Institutions
15 Division of Consumer Services
16 Attn: Fatima Batie
17 PO Box 41200
18 Olympia, Washington 98504-1200

19 Dated this 20th day of July, 2009.



20 *Deborah Bortner*

21 DEBORAH BORTNER
22 Director
23 Division of Consumer Services
24 Department of Financial Institutions