

# TERMS COMPLETE

## CONSENT ORDER SUMMARY - Case Number: C-09-347

**Name(s)** Stillwater Mortgage Company, Inc.  
Christopher Hermsen

**Order Number** C-09-347-10-CO01

**Effective Date** April 26, 2010

**License Number** DFI: 510-MB-20655 NMLS ID: 117692 (Stillwater)  
DFI: 21669 (Cancelled) NMLS ID: 118843 (Hermsen)

**License Effect** Surrendered

**Not Apply until** 5 years from date of entry – however may apply for LO or MLO license immediately

**Prohibition/Ban until** April 26, 2015

<b>Investigation Costs</b>	\$115.20	Due	Paid Y	Date: 4/12/2010
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<b>Assessment(s)</b>	\$	Due	Paid Y N	Date
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<b>Monetary Penalty</b>	\$	Due	Paid Y N	Date
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**Other** Declaration of Activity, Financial Declaration, DFI will not use the facts of this CO in future applications by Respondent

RECEIVED

EMPLOYMENT UNIT  
DIVISION OF CONSUMER SERVICES  
DEPT OF FINANCIAL INSTITUTIONS

**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:

NO. C-09-347-10-CO01

**STILLWATER MORTGAGE COMPANY, INC.**  
and **CHRISTOPHER HERMSEN**, President and  
Designated Broker,  
**Respondents.**

**CONSENT ORDER**

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Stillwater Mortgage, Inc. (Stillwater Mortgage) and Christopher Hermesen, President and Designated Broker (Hermesen), 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:

**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-09-347-09-SC01 (Statement of Charges), entered September 23, 2009, (copy attached hereto) and Temporary Order to Cease and Desist No. C-09-347-09-TD01 (Temporary Order to Cease and Desist), entered September 23, 2009, (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 and Temporary Order to Cease and Desist and agree that Respondents do not admit any wrongdoing by its entry.

Based upon the foregoing:

CONSENT ORDER  
C-09-347-10-CO01  
Stillwater Mortgage, Inc. and Christopher Hermesen

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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

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

3           **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing  
4 before an administrative law judge, and that they hereby waive their right to a hearing and any and all  
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.  
6 Accordingly, Respondents, by their signatures below, withdraw their appeal to the Office of Administrative  
7 Hearings.

8           **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the Statement of  
9 Charges and Temporary Order to Cease and Desist and agree that Respondents neither admit nor deny any  
10 wrongdoing by its entry.

11           **D. License Surrender.** It is AGREED that Respondent Stillwater Mortgage shall surrender its  
12 Mortgage Broker license and file a Mortgage Broker Closure Report upon entry of this Consent Order.

13           **E. Financial Declaration.** It is AGREED that Respondent Hermsen shall sign a Financial Declaration  
14 in a form provided by the Department upon entry of this Consent Order.

15           **F. Agreement Not to Apply.** It is AGREED that Respondents shall not apply for a license issued by the  
16 Department under the Mortgage Broker Practices Act (chapter 19.146 RCW), Consumer Loan Act (chapter 31.04  
17 RCW), Check Cashers and Sellers Act (chapter 31.45 RCW), Escrow Agent Registration Act (chapter 18.44  
18 RCW), or Uniform Money Services Act (chapter 19.230 RCW) for a period of five (5) years from the date of entry  
19 of this Consent Order. This paragraph does not limit Respondent Hermsen's ability to apply for a license as a  
20 Loan Originator or Mortgage Loan Originator under either the Mortgage Broker Practices Act (chapter 19.146  
21 RCW) or the Consumer Loan Act (chapter 31.04 RCW). It is further AGREED that the Department shall not use  
22 the facts, conduct, and allegations serving as the basis for the issuance of the Statement of Charges or Temporary  
23 Order to Cease and Desist in assessing Respondent Hermsen's application, if any, for a Loan Originator or  
24 Mortgage Loan Originator license. Respondent Hermsen understands and AGREES that nothing in this Consent  
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1 Order shall alter or affect the statutory requirements to obtain a Loan Originator or Mortgage Loan Originator  
2 license, and that this Consent Order specifically does not guarantee that a Loan Originator or Mortgage Loan  
3 Originator license shall be issued.

4 **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an investigation fee  
5 of \$115.20, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this  
6 Consent Order.

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

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

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

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

18 **RESPONDENTS:**

19 **Stillwater Mortgage, Inc.**

20 By: 

21 Christopher Hermesen, its  
22 President and Designated Broker

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04/22/2010  
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[Redacted]

Christopher Hermsen  
Individually

04/22/2010  
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 22<sup>nd</sup> DAY OF April, 2010.

[Redacted]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted]

ROBERT E. JONES  
Financial Legal Examiner



Approved by:

[Redacted]

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:

NO. C-09-347-09-SC01

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STILLWATER MORTGAGE COMPANY, INC.  
and CHRISTOPHER HERMSEN, President and  
Designated Broker,

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO CEASE AND DESIST, REVOKE  
LICENSE, IMPOSE FINE, AND COLLECT  
INVESTIGATION FEE

Respondents.

**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 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. **Stillwater Mortgage Company, Inc. (Stillwater Mortgage Company)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on August 1, 1996, and continues to be licensed to date. Respondent Stillwater Mortgage Company is licensed to conduct the business of a mortgage broker at the following location:

3139 Glendale Dr. W.  
University Place, WA 98466

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<sup>1</sup> RCW 19.146 (2008)



1 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2) and (3)(a) and WAC 208-660-530(6), the  
2 Director may impose fines on a licensee, employee, loan originator, independent contractor, or agent of the  
3 licensee, or other person subject to the Act for any violation of RCW 19.146.205(4) or any violation of the Act.

4 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520(9) and  
5 WAC 208-660-550(4) upon completion of any investigation of the books and records of a licensee or other person  
6 subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover  
7 the cost of the investigation. The investigation charge will be calculated at the rate of forty-eight dollars (\$48) per  
8 hour that each staff person devoted to the investigation.

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

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

- 14 **4.1** Respondents Stillwater Mortgage Company, Inc. and Christopher Hermsen cease and desist from  
conducting the business of a mortgage broker;
- 15 **4.2** Respondent Stillwater Mortgage Company Inc.'s license to conduct the business of a mortgage broker be  
16 revoked;
- 17 **4.3** Respondents Stillwater Mortgage Company Inc. and Christopher Hermsen jointly and severally pay a fine  
which as of the date of this Statement of Charges totals \$3,000; and
- 18 **4.4** Respondents Stillwater Mortgage Company Inc. and Christopher Hermsen jointly and severally pay an  
19 investigation fee which as of the date of this Statement of Charges totals \$115.20 calculated at \$48 per hour  
for the two and four tenths (2.4) staff hours devoted to the investigation.

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**V. AUTHORITY AND PROCEDURE**

This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Revoke License, 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 in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 23<sup>rd</sup> day of September, 2009.



DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:



ROBERT E. JONES  
Financial Legal Examiner



Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief