

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION

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

C-09-353-09-TD01

TOUCHSTONE FINANCIAL SERVICES INC.  
d/b/a TOUCHSTONE MORTGAGE COMPANY  
and STEPHEN MONTANI, President, CEO, and  
Designated Broker,

TEMPORARY ORDER TO  
CEASE AND DESIST

Respondents.

THE STATE OF WASHINGTON TO: TOUCHSTONE FINANCIAL SERVICES INC.  
STEPHEN MONTANI

COMES NOW the Director of the Washington State Department of Financial Institutions (Director), by and through his designee Deborah Bortner, Division Director, Division of Consumer Services (designee), and finding that the public is likely to be substantially injured by delay in issuing a cease and desist order, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, enters this Temporary Order to Cease and Desist pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), based on the following findings:

**I. FACTUAL FINDINGS**

**1.1 Respondent Touchstone Financial Services, Inc. (Respondent Touchstone)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on August 23, 1999, and continues to be licensed to date. Respondent Touchstone is licensed to conduct the business of a mortgage broker at the following location:

10626 NE Gilsan Street  
Portland, Oregon 97220

**1.2 Respondent Stephen Montani (Respondent Montani)** is President, CEO, and Designated Broker of Respondent Touchstone. Respondent Montani was named Designated Broker of Respondent Touchstone on August 23, 1999, and continues as Designated Broker to date.

1 **1.3 Surety Bond Cancellation.** On June 22, 2009, the Department received notice from CBIC Insurance  
2 that Respondent Touchstone's surety bond would be cancelled. The bond cancelled effective July 21, 2009. To  
3 date, Respondents have failed to provide the required surety bond.

## 4 **II. GROUNDS FOR ENTRY OF ORDER**

5 **2.1 Requirement to Maintain Surety Bond.** Based on the Factual Allegations set forth in Section I  
6 above, Respondents are in apparent violation of RCW 19.146.205(4)(a) and WAC 208-660-175(1) for failing to  
7 file and maintain a surety bond with the Department.

## 8 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

9 **3.1 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW 19.146.227, the  
10 Director is authorized to issue a temporary order to cease and desist whenever the Director determines that the  
11 public is likely to be substantially injured by delay in issuing a cease and desist order. Based on the Factual  
12 Findings and Grounds for Entry of Order set forth above, Respondent Touchstone Financial Services, Inc. does  
13 not maintain the required surety bond, and the public is likely to be substantially injured by the lack of said  
14 surety bond coverage.

## 15 **IV. ORDER**

16 Based on the above Factual Findings, Grounds for Entry of Order, and Authority to Issue Temporary  
17 Order to Cease and Desist, and pursuant to RCW 19.146.227, the Director determines that the public is likely to  
18 be substantially harmed by a delay in entering a cease and desist order. Therefore, the Director ORDERS that:

19 **4.1** Respondents shall immediately cease and desist from participating in the conduct of the affairs of any  
20 mortgage broker subject to licensure by the Director, in any manner, specifically including, but not limited to  
21 originating any residential mortgage loan, assisting with the origination of any residential mortgage loan, and  
22 holding out as able to assist any person with applying for or obtaining any residential mortgage loan.

23 **4.2** This order shall take effect immediately and shall remain in effect unless set aside, limited, or  
24 suspended in writing by an authorized court.

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NOTICE

PURSUANT TO CHAPTER 19.146 RCW, YOU ARE ENTITLED TO A HEARING WITHIN 14 DAYS OF REQUEST TO DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU DESIRE A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE. FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE THAT THIS ORDER WAS SERVED ON YOU WILL CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF YOUR RIGHT TO A HEARING. SERVICE ON YOU IS DEFINED AS POSTING IN THE U.S. MAIL, POSTAGE PREPAID, TO YOUR LAST KNOWN ADDRESS. BE ADVISED THAT DEFAULT WILL RESULT IN THIS ORDER TO CEASE AND DESIST BECOMING PERMANENT ON THE TWENTY-FIRST (21ST) DAY FOLLOWING SERVICE OF THIS ORDER UPON YOU.

WITHIN TEN DAYS AFTER YOU HAVE BEEN SERVED WITH THIS TEMPORARY ORDER TO CEASE AND DESIST, YOU MAY APPLY TO THE SUPERIOR COURT IN THE COUNTY OF YOUR PRINCIPAL PLACE OF BUSINESS FOR AN INJUNCTION SETTING ASIDE, LIMITING, OR SUSPENDING THIS ORDER PENDING THE COMPLETION OF THE ADMINISTRATIVE PROCEEDINGS PURSUANT TO THIS NOTICE.

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



  
DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

1 Presented by:

2   
3 DEBORAH PINSONNEAULT  
4 Financial Legal Examiner

5 Approved by:

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7 JAMES R. BRUSSELBACK  
8 Enforcement Chief