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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:

SIERRA FINANCIAL, INC. and PRESTON
HIEFIELD, Designated Broker,
Respondents.

NO. C-10-158-10-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Deborah Bortner, pursuant to RCW 34.05.440(1). On May 3, 2010, the Director, through Consumer Services Division Director, Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (Statement of Charges) against Respondent Sierra Financial, Inc. and Respondent Preston Hiefield. A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for a Brief Adjudicative Proceeding. The Department served the Statement of Charges, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for a Brief Adjudicative Proceeding on Respondents, on May 3, 2010, by First-Class mail and Federal Express overnight delivery.

The documents sent to Respondents via First-Class mail were not returned to the Department by the United State Postal Service. The documents sent to Respondents via Federal Express to the mailing address on record with the Department were signed for on May 4, 2010, by P. Hiefield.

1 Respondents Sierra Financial, Inc. and Preston Hiefield did not request a Brief Adjudicative
2 Proceeding within twenty calendar days after the Department served them with the Notice of
3 Opportunity to Defend and Opportunity for Brief Adjudicative Proceeding, as provided for in WAC
4 208-08-050(2).

5 B. Record Presented. The record presented to the Director's designee for her review and
6 for entry of a final decision included the following:

- 7 1. Statement of Charges;
- 8 2. Cover letter dated May 3, 2010;
- 9 3. Notice of Opportunity to Defend and Opportunity for Hearing; and
- 10 4. Blank Applications for a Brief Adjudicative Proceeding.

11 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1) the
12 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

13 II. FINAL ORDER

14 Based upon the foregoing, and the Director's designee having considered the record and
15 being otherwise fully advised, NOW, THEREFORE:

16 A. IT IS HEREBY ORDERED. That:

- 17 1. Respondent Sierra Financial, Inc. and Respondent Preston Hiefield joint and severally
18 pay a fine of \$8,300; and
- 19 2. Respondent Sierra Financial, Inc. and Respondent Preston Hiefield file the 2009
20 Mortgage Broker Annual Report; and
- 21 3. Respondent Sierra Financial, Inc. and Respondent Preston Hiefield joint and severally
22 pay an investigative fee of \$48.

23 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
24 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
25 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,

1 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
2 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
3 Reconsideration a prerequisite for seeking judicial review in this matter.

4 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
5 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
6 notice specifying the date by which it will act on a petition.

7
8 C. Stay of Order. The Director's designee has determined not to consider a Petition
9 to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
10 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

11 D. Judicial Review. Respondents have the right to petition the superior court for
12 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
13 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

14 E. Non-compliance with Order. If you do not comply with the terms of this order, the
15 Department may seek its enforcement by the Office of Attorney General to include the collection of the
16 fines and fees imposed herein.

17 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
18 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
19 attached hereto.
20

21 DATED this 29th day of June, 2010.

22 STATE OF WASHINGTON
23 DEPARTMENT OF FINANCIAL INSTITUTIONS

24 
25 DEBORAH BORTNER
DIRECTOR
DIVISION OF CONSUMER SERVICES

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

NO. C-10-158-10-SC01

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

SIERRA FINANCIAL INC;
PRESTON HIEFIELD, DESIGNATED
BROKER,

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO 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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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. Sierra Financial Inc was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker at all times relevant to the conduct alleged. At all times relevant to the Statement of Charges, Preston Hiefield was the Designated Broker for the company.

1.2 Failure to File Mortgage Broker Annual Report. By March 31, 2010, Respondents were required to file an annual report of mortgage broker activity to include the total number of closed loans originated and the total volume of closed loans originated. As of the date of this Statement of Charges Respondents have not filed the 2009 mortgage broker annual report.

1.3 Failure to File Mortgage Broker Closure Form. Respondents are required to file a completed closure form and submit a surrender request through the NMLS.R. As of the date of this Statement of Charges, Respondents have not filed a completed closure form or submitted a surrender request through the NMLS.R.

1.4 On-Going Investigation. The Department's investigation into the alleged violations of the Act by
2 Respondents continues to date.

3 II. GROUNDS FOR ENTRY OF ORDER

4 2.1 Requirement to File Mortgage Broker Annual Report. Based on the Factual Allegations set forth in
5 Section I above, Respondents are in apparent violation of RCW 19.146.290(1), WAC 208-660-250(7) and
6 WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

7 2.2 Requirement to File Mortgage Broker Closure Form. Based on the Factual Allegations set forth in
8 Section I above, Respondents are in apparent violation of WAC 208-660-163(18) for failing to submit a
9 surrender request through the NMLS/R or failing to submit a completed departmental closure form.

10 III. AUTHORITY TO IMPOSE SANCTIONS

11 3.1 Authority to Impose Fine. Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a
12 licensee or other person subject to the Act for any violations of the Act.

13 3.2 Authority to Collect Investigation Fee. Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC
14 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject
15 to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of
16 the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person
17 devoted to the investigation.

18 IV. NOTICE OF INTENTION TO ENTER ORDER

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

23 4.1 Respondents Sierra Financial Inc and Preston Hiefield jointly and severally pay a fine of \$100 per
24 day beginning April 1, 2010, until the date the 2009 Mortgage Broker Annual Report is filed; and

25 4.2 Respondents Sierra Financial Inc and Preston Hiefield jointly and severally pay an investigation
fee, which as of the date of these charges is \$48 calculated at \$48 per hour for one staff hour
devoted to the investigation; and

