

ORDER SUMMARY – Case Number: C-12-0973

Name(s): Philip J Danielson; Philip Danielson, LLC
 d/b/a Danielson Law Group, LLC and DLG Legal

Order Number: C-12-0973-13-FO01

Effective Date: July 3, 2013

License Number: N/A – NMLS ID: Danielson 1095744 Company: 1095781
 Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect: None

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: Five years from date of entry of FO

Investigation Costs:	\$528	Due: 30 days	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date:
Fine:	\$ 6,000	Due: 30 days	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date:
Assessment(s): N/A	\$	Due:	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
Restitution:	\$7,883	Due: 30 days	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date:
Judgment: N/A	\$	Due:	Paid: <input type="checkbox"/> Y <input type="checkbox"/> N	Date:
Satisfaction of Judgment Filed? N/A	<input type="checkbox"/> Y <input type="checkbox"/> N			
No. of Victims:	2			

Comments:

1 D. Record Presented. The record presented to the Director's designee for her review and for
2 entry of a final decision included the Statement of Charges, cover letters dated March 28, 2013,
3 Notices of Opportunity to Defend and Opportunity for Hearing, and blank Applications for
4 Adjudicative Hearing for Respondents, with documentation for service.

5 E. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the
6 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

7 II. FINAL ORDER

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

10 A. IT IS HEREBY ORDERED, That:

- 11 1. Respondent Philip J. Danielson immediately cease and desist engaging in the business of
12 a loan originator.
- 13 2. Respondent Philip Danielson, LLC d/b/a Danielson Law Group, LLC, and DLG Legal
14 immediately cease and desist engaging in the business of a mortgage broker.
- 15 3. Respondents are prohibited from participation in the conduct of the affairs of any
16 mortgage broker subject to licensure by the Director, in any manner, for a period of five
17 years.
- 18 4. Respondents shall pay, jointly and severally, restitution of \$7,883 to the consumer
19 identified by the Department in paragraph 1.2 of the Statement of Charges.
- 20 5. Respondents shall pay, jointly and severally, a fine of \$6,000.
- 21 6. Respondents shall pay, jointly and severally, an investigation fee of \$528. The combined
22 fine and investigation fee may be paid together in the form of a cashier's check in the
23 amount of \$6,528 made payable to the "Washington State Treasurer."
- 24 7. Respondent Philip Danielson, LLC d/b/a Danielson Law Group, LLC , and DLG Legal,
and its officers, employees, and agents maintain records in compliance with chapter
19.146 RCW, the Mortgage Broker Practices Act (Act), and provide the Director with the
location of the books, records and other information relating to Respondent's provision of
residential mortgage loan modification services in Washington, and the name, address
and telephone number of the individual responsible for maintenance of such records in
compliance with the Act.

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1 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a Petition
2 for Reconsideration stating the specific grounds upon which relief is requested. The Petition must be
3 filed in the Office of the Director of the Department of Financial Institutions by courier at 150 Israel
4 Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia, Washington
5 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The Petition for
6 Reconsideration shall not stay the effectiveness of this order nor is a Petition for Reconsideration a
7 prerequisite for seeking judicial review in this matter.

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

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

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

17 F. Non-compliance with Order. If you do not comply with the terms of this Final Order,
18 including payment of any amounts owed within 30 days of receipt of this Final Order, the
19 Department may seek its enforcement by the Office of the Attorney General to include the collection
20 of the restitution, fines, and investigation fees imposed herein. The Department also may assign the
21 amounts owed to a collection agency for collection.

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1 G. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial
2 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
3 attached hereto.

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5 DATED this 3rd day of July, 2013.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS


DEBORAH BORTNER
Director, Division of Consumer Services

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

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

5 PHILIP J. DANIELSON, Founder and Owner,
6 PHILIP DANIELSON, LLC, d/b/a
DANIELSON LAW GROUP, LLC, and
7 DLG LEGAL,

Respondents.

No. C-12-0973-13-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST
BUSINESS, PROHIBIT FROM INDUSTRY,
ORDER RESTITUTION, IMPOSE FINE,
AND COLLECT INVESTIGATION FEE

8
9 INTRODUCTION

10 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial
11 Institutions of the State of Washington (Director) is responsible for the administration of chapter
12 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation
13 pursuant to RCW 19.146.235, and based upon the facts available as of the date of this Statement of
14 Charges, the Director, through his designee, Division of Consumer Services Director Deborah
15 Bortner, institutes this proceeding and finds as follows:

16 I. FACTUAL ALLEGATIONS

17 1.1 Respondents.

18 A. **Philip J. Danielson (Respondent Danielson)** is the founder and owner of Respondent
19 Philip Danielson, LLC. Respondent Danielson is licensed by the Utah State Bar Association,
20 member number 08639. During the relevant time period, Respondent Danielson was not licensed by
21 the Washington State Bar Association to provide legal services in Washington State, and has never
22 been licensed by the Department of Financial Institutions of the State of Washington (Department) to
23 conduct business as a mortgage broker or loan originator in Washington.

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1 person in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006,
2 a person ““assists a person in obtaining or applying to obtain a residential mortgage loan’ by, among
3 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages....”

4 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a
5 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
6 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
7 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
8 any of these activities.

9 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
10 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive
11 practice toward any person and obtaining property by fraud or misrepresentation.

12 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
13 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
14 for engaging in the business of a mortgage broker for Washington residents or property without first
15 obtaining a license to do so.

16 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
17 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
18 for engaging in the business of a loan originator without first obtaining and maintaining a license.

19 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
20 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
21 location that is on file with and readily available to the Department until at least twenty-five months
22 have elapsed following the effective period to which the books and records relate.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
3 Director may issue orders directing any person subject to the Act to cease and desist from conducting
4 business.

5 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
6 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
7 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
8 (13), or RCW 19.146.200.

9 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
10 restitution against any person subject to the Act for any violation of the Act.

11 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
12 against any person subject to the Act for any violation of the Act.

13 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
14 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted
15 to an investigation of any person subject to the Act.

16 **IV. NOTICE OF INTENT TO ENTER ORDER**

17 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
18 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
19 and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

20 **4.1** Respondents Philip J. Danielson and Philip Danielson LLC immediately cease and desist
21 engaging in the business of a mortgage broker or loan originator.

22 **4.2** Respondents Philip J. Danielson and Philip Danielson LLC be prohibited from participation,
23 in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the
24 Director for a period of five years.

4.3 Respondents Philip J. Danielson and Philip Danielson LLC jointly and severally pay
restitution to the two consumers identified by the Department in paragraph 1.2 in the amounts

1 set forth therein, and that Respondents Philip J. Danielson and Philip Danielson LLC jointly
2 and severally pay restitution to each Washington consumer with whom they entered into a
3 contract for residential mortgage loan modification services related to real property located in
the state of Washington equal to the amount collected from each Washington consumer for
those services, in an amount to be determined at hearing.

4 **4.4** Respondents Philip J. Danielson and Philip Danielson LLC jointly and severally pay a fine,
which as of the date of this Statement of Charges totals \$6,000.

5 **4.5** Respondents Philip J. Danielson and Philip Danielson LLC jointly and severally pay an
6 investigation fee, which as of the date of this Statement of Charges totals \$528.

7 **4.6** Respondents Philip J. Danielson and Philip Danielson LLC maintain records in compliance
8 with the Act and provide the Department with the location of the books, records and other
9 information relating to Respondents' provision of residential mortgage loan modification
services in Washington, and the name, address and telephone number of the individual
responsible for maintenance of such records in compliance with the Act.

10 **V. AUTHORITY AND PROCEDURE**

11 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
12 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
13 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
14 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
15 accompanying this Statement of Charges.

16 Dated this 28th day of March, 2013.



17 [Redacted signature]

18 DEBORAH BORTNER
19 Director, Division of Consumer Services
20 Department of Financial Institutions

21 Presented by:

22 [Redacted signature]

23 ANTHONY W. CARTER
Senior Enforcement Attorney

21 Approved by:

22 [Redacted signature]

23 CHARLES E. CLARK
Enforcement Chief