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**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:

Gary R. McLean, dba Trendmaker Mortgage;
and Gary R. McLean, Designated Broker,

Respondents.

NO. C-02-341-02-CO01
(Old No. 2002-143-O01)

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Mark Thomson, Assistant Director, Division of Consumer Services, and Gary R. McLean, d/b/a Trendmaker Mortgage and Gary R. McLean, Designated Broker and Owner, (hereinafter as “Respondents”), and finding that the issues raised in the 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:

I. 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-02-341-02-SC01, entered October 24, 2002, (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.

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Based upon the foregoing:

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

B. It is AGREED that Respondents have been informed of their right to a hearing before an administrative law judge, and that they have waived their right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.

C. It is AGREED that Respondents shall pay a fine of \$400.00 to the Department upon entry of this order. Entry of this order is the date upon which the order is signed by the Director's designee.

D. It is AGREED that Respondents shall pay an examination fee of \$231.30, calculated at \$46.26 per hour for 5 staff hours devoted to the investigation.

E. Respondents AGREE that to comply with the Mortgage Broker Practices Act and the rules adopted thereunder, especially the provisions relating to continuing education.

F. It is AGREED that the undersigned have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

G. It is AGREED that although Respondent did not respond to the directive, Respondent did apply for training materials in August 2002 and received an "On-Going Education" certificate on October 25, 2002.

H. It is AGREED that Respondent did not willfully or intentionally violate the provisions of the Mortgage Broker Practices Act.

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

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RESPONDENTS:

/S/

Gary R. McLean, dba Trendmaker Mortgage Date: _____

/S/

Gary R. McLean, Designated Broker Date: _____

THIS ORDER ENTERED THIS 18 DAY OF March, 2003.

/S/

Mark Thomson, Assistant Director
Division of Consumer Services
Department of Financial Institution

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**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:

Gary R. McLean, dba Trendmaker Mortgage; and
Gary R. McLean, Designated Broker,
Respondents.

NO. C-02-341-02-SC01
(Old No. 2002-143-C01)

STATEMENT OF CHARGES and NOTICE OF
INTENT TO REVOKE LICENSE AND IMPOSE
FINES

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”). The referenced statutes (RCW) and rules (WAC) are attached, in pertinent part. After having conducted an investigation, and based upon the facts available as of October 22, 2002, the Director institutes this proceeding and finds as follows:

I. FACTS

1. Respondents:

A. Gary R. McLean is known to conduct the business of a mortgage broker as Trendmaker Mortgage at:

2535 Rudkin Road
Union Gap, WA 98903

B. Gary R. McLean was named designated broker on March 17, 1999, and has continued as designated broker to date.

2. License: Gary R. McLean was licensed by the Department of Financial Institutions (“Department”) to conduct business as a mortgage broker on March 17, 1999, and has continued to be licensed to date.

1 **3. Continuing Education Requirement:** A certificate of satisfactory completion of an approved
2 continuing education course was due to the Department no later than March 31, 2002. The Department notified
3 Respondents of this requirement and of the due date by correspondence dated April 11, 2002.

4 **4. Issuance of Directive:** On August 2, 2002, the Department issued a directive to Respondents requiring
5 the submission of a certificate of satisfactory completion of an approved continuing education course.

6 **5. Failure to Submit Certificate:** To date, the Department has not received the required certificate due
7 from Respondents.

9 II. GROUNDS FOR ENTRY OF ORDER

10 **1. Continuing Education Requirement:** Pursuant to RCW 19.146.215 and WAC 208-660-042, the
11 designated broker of every licensee shall complete an annual continuing education requirement and file a
12 certificate of satisfactory completion no later than the last business day of the month in which the anniversary
13 date of the issuance of the licensee's license occurs.

14 **2. Authority to Revoke License:** Pursuant to RCW 19.146.220(2)(b)(iii), and WAC 208-660-160(19),
15 the Director may revoke a license for failure to comply with any directive or order of the Director and for failure
16 to provide a required certificate of satisfactory completion of an approved continuing education course.

17 **3. Authority to Charge Examination Fee:** Pursuant to RCW 19.146.228(2), and WAC 208-660-060(2), upon
18 completion of any examination of the books and records of a licensee, the Department will furnish to the licensee a
19 billing to cover the cost of the examination. The examination charge will be calculated at the rate of forty-six dollars
20 and twenty-six cents (\$46.26) per hour that each staff person devoted to the examination.

21 **4. Authority to Impose Fine:** Pursuant to RCW 19.146.220(2)(c)(ii) and WAC 208-660-165, the Director
22 may impose fines on the licensee for failure to comply with any directive or order of the Director.

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III. NOTICE OF INTENT TO ENTER ORDER

Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth in the above Facts and Grounds for Entry of Order, constitute a basis for the entry of an Order under RCW 19.146.220.

Therefore, it is the Director's intention to ORDER that:

- 1. Respondents' mortgage broker license be revoked,
- 2. Respondents pay an examination fee to be calculated at \$46.26 per hour for each staff hour devoted to the investigation; and
- 3. Respondents pay a fine of \$2,250.

IV. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221. 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 and Notice of Intent to Revoke License and Impose Fines.

Dated this 24 day of October, 2002.

/S/ _____
MARK THOMSON
ASSISTANT DIRECTOR
DIVISION OF CONSUMER SERVICES
DEPARTMENT OF FINANCIAL INSTITUTIONS

Reviewed by:

/S/ _____
Chuck Cross, Enforcement Chief

1 **RCW 19.146.215 Continuing education – Rules.** The designated broker of every licensee shall complete an annual
2 continuing education requirement, which the director shall define by rule. [1997 c 106 § 11; 1994 c 33 § 11.]

3 **RCW 19.146.220 Director – Powers and duties – Violations as separate violations – Rules.** (1) The director shall
4 enforce all laws and rules relating to the licensing of mortgage brokers, grant or deny licenses to mortgage brokers, and
5 hold hearings.

6 (2) The director may impose the following sanctions:

7 (. . .

8 (b) Suspend or revoke licenses for:

9 (i) False statements or omission of material information on the application that, if known, would have allowed the
10 director to deny the application for the original license;

11 (ii) Failure to pay a fee required by the director or maintain the required bond;

12 (iii) Failure to comply with any directive or order of the director; or

13 (iv) Any violation of RCW 19.146.050, 19.146.060(3), 19.146.0201 (1) through (9) or (12), 19.146.205(4), or
14 19.146.265;

15 (c) Impose fines on the licensee, employee or loan originator of the licensee, or other person subject to this chapter for:

16 (i) Any violations of RCW 19.146.0201 (1) through (9) or (12), 19.146.030 through 19.146.080, 19.146.200,
17 19.146.205(4), or 19.146.265; or

18 (ii) Failure to comply with any directive or order of the director;

19 (. . .

20 (3) Each day's continuance of a violation or failure to comply with any directive or order of the director is a separate and
21 distinct violation or failure.

22 (. . .

23 [1997 c 106 § 12; 1997 c 58 § 879; 1996 c 103 § 1; 1994 c 33 § 12; 1993 c 468 § 8.]

24 **RCW 19.146.221 Action by director – Hearing – Sanction.** The director may, at his or her discretion and as provided
25 for in *RCW 19.146.220(2), take any action specified in RCW 19.146.220(1). If the person subject to such action does
not appear in person or by counsel at the time and place designated for any administrative hearing that may be held on
the action then the person shall be deemed to consent to the action. If the person subject to the action consents, or if after
hearing the director finds by a preponderance of the evidence that any grounds for sanctions under this chapter exist, then
the director may impose any sanction authorized by this chapter. [1994 c 33 § 13.]

RCW 19.146.223 Director – Administration and interpretation. The director shall have the power and broad
administrative discretion to administer and interpret the provisions of this chapter to fulfill the intent of the legislature as
expressed in RCW 19.146.005. [1994 c 33 § 2.]

RCW 19.146.225 Director – Rule-making powers. In accordance with the administrative procedure act, chapter 34.05
RCW, the director may issue rules under this chapter only after seeking the advice of the mortgage brokerage commission
and to govern the activities of licensed mortgage brokers and other persons subject to this chapter. [1994 c 33 § 15; 1993
c 468 § 9.]

RCW 19.146.228 Fees – Rules – Exception. The director shall establish fees by rule in accordance with RCW 43.24.086
sufficient to cover, but not exceed, the costs of administering this chapter. These fees may include:

(1) An annual assessment paid by each licensee on or before a date specified by rule;

(2) An investigation fee to cover the costs of any investigation of the books and records of a licensee or other person
subject to this chapter; and

(3) An application fee to cover the costs of processing applications made to the director under this chapter.

Mortgage brokers shall not be charged investigation fees for the processing of complaints when the investigation
determines that no violation of this chapter occurred or when the mortgage broker provides a remedy satisfactory to the
complainant and the director and no order of the director is issued. All moneys, fees, and penalties collected under the
authority of this chapter shall be deposited into the banking examination fund, unless the consumer services account is

1 created as a dedicated, nonappropriated account, in which case all moneys, fees, and penalties collected under this chapter
2 shall be deposited in the consumer services account. [1997 c 106 § 13; 1994 c 33 § 9.]

3 **RCW 19.146.230 Administrative procedure act application.** The proceedings for denying license applications, issuing
4 cease and desist orders, suspending or revoking licenses, and imposing civil penalties or other remedies issued pursuant
5 to this chapter and any appeal therefrom or review thereof shall be governed by the provisions of the administrative
6 procedure act, chapter 34.05 RCW. [1994 c 33 § 16; 1993 c 468 § 10.]

7 **WAC 208-660-042(1) Continuing education requirement.** (1) The principal or designated broker of a licensee
8 must satisfactorily complete an approved continuing education course annually. Each licensee must file annually a
9 certificate of satisfactory completion of an approved continuing education course by the licensee's principal or designated
10 broker no later than the last business day of the month in which the anniversary date of the issuance of the licensee's
11 license occurs.

12 **WAC 208-660-060 Department's fees and assessments.** (1) Upon completion of processing and reviewing an
13 application for a license or branch office certificate, the department will prepare a billing, regardless of whether a license
14 or certificate has been issued, calculated at the rate of \$35.98 per hour that each staff person devoted to processing and
15 reviewing the application. The application deposit will be applied against this bill. Any amount left owing to the
16 department will be billed to and paid promptly by the applicant, while any balance remaining from the deposit will be
17 refunded promptly to the applicant.

18 (2) Upon completion of any examination of the books and records of a licensee, the department will furnish to the
19 licensee a billing to cover the cost of the examination. The examination charge will be calculated at the rate of \$46.26 per
20 hour that each staff person devoted to the examination. The examination billing will be paid by the licensee promptly
21 upon receipt. Licensees that were issued licenses prior to March 21, 1994, have prepaid in their initial license fee the cost
22 of the first compliance examination of the licensee conducted by the department during the first two years after the date of
23 issuance of the license.

24 (3) Each licensee shall pay to the director an annual assessment of \$513.95 for each license, and \$513.95 for each
25 branch office certificate. The annual assessment(s) will be due no later than the last business day of the month in which
the anniversary date of the issuance of the broker's license occurs.

(4) Upon completion of any investigation of the books and records of a mortgage broker other than a licensee, the
department will furnish to the broker a billing to cover the cost of the investigation. The investigation charge will be
calculated at the rate of \$46.26 per hour that each staff person devoted to the investigation. The investigation billing will
be paid by the mortgage broker promptly upon receipt.

WAC 208-660-160 License application denial or condition; license suspension or revocation. The director may
deny or condition approval of a license application, or suspend or revoke a license if the applicant or licensee, or any
principal or designated broker of the applicant or licensee:

... (19) Has failed to provide a required certificate of satisfactory completion of an approved continuing education
course.

WAC 208-660-165 Fines and penalties for violation of the Mortgage Broker Practices Act. Each mortgage
broker and each of its principals, designated brokers, officers, employees, independent contractors, and agents shall
comply with the applicable provisions of the Mortgage Broker Practices Act. Each violation of any applicable provision of
the Mortgage Broker Practices Act, or of any order, directive, or requirement of the director may, at the discretion of the
director, subject the violator to a fine of up to one hundred dollars for each offense. Each day's continuance of the
violation is a separate and distinct offense. In addition, the director in his or her discretion may by order assess other
penalties for a violation of the Mortgage Broker Practices Act.

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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:

Gary R. McLean, dba Trendmaker Mortgage; and
Gary R. McLean, Designated Broker,
Respondents.

NO. C-02-341-02-SC01
(Old No. 2002-143-C01)

NOTICE OF OPPORTUNITY TO DEFEND
AND OPPORTUNITY FOR HEARING

THE STATE OF WASHINGTON TO:

Gary R. McLean, dba Trendmaker Mortgage; and
Gary R. McLean, Designated Broker.

YOU ARE HEREBY NOTIFIED that a Statement of Charges and Notice of Intent to Revoke License and Impose Fines has been filed by the Department of Financial Institutions, a true and correct copy of which is attached and made a part hereof.

YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the Washington State Department of Financial Institutions on the Statement of Charges and Notice of Intent to Revoke License and Impose Fines. Service of this notice is deemed complete upon deposit in the United States mail. YOUR APPLICATION MUST BE RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS FROM THE DATE YOU RECEIVED THIS NOTICE. If you demand a hearing, you will be notified of the time and place for the hearing at least seven (7) days in advance of the hearing date.

At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as informal as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05 RCW). The hearing will be recorded. The primary concern will be getting to the truth of the matter insofar as the Statement of Charges and Notice of Intent to Revoke License and Impose Fines is concerned. Technical rules of evidence will not be binding at the hearing except for the rules of privilege recognized by law. You have the right to present evidence and witnesses in your own behalf, and to cross-examine those witnesses presented in support of the Statement of Charges and Notice of

1 Intent to Revoke License and Impose Fines. You may require the attendance of witnesses by subpoena. If you are
2 limited English- speaking or hearing impaired, you have the right to have an interpreter appointed at no cost to you, as
3 discussed below.

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

10 YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not RECEIVE the
11 Application for Adjudicative Hearing form within twenty (20) days from the date you received this notice, this will
12 constitute a waiver of your right to a hearing and the Director will find that you do not contest the allegations of the
13 Statement of Charges and Notice of Intent to Revoke License and Impose Fines. Upon such a finding by the
14 Director a final order will be immediately entered disposing of this matter and ordering that your license be revoked and
15 that you pay fines, as described in the Statement of Charges and Notice of Intent to Revoke License and Impose
16 Fines. If you desire a hearing in this matter, please return the attached Application for Adjudicative Hearing to:

17 Department of Financial Institutions, Division of Consumer Services
18 Attn: Victoria W. Sheldon
19 PO Box 41200
Olympia, Washington 98504-1200

20 Dated this 10 day of October, 2002.

21 /S/
22 MARK THOMSON, Assistant Director
23 Division of Consumer Services
24 Department of Financial Institutions

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

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

Gary R. McLean, dba Trendmaker Mortgage; and
Gary R. McLean, Designated Broker,
Respondents.

NO. C-02-341-02-SC01
(Old No. 2002-143-C01)

APPLICATION FOR ADJUDICATIVE
HEARING

THE STATE OF WASHINGTON TO:

Gary R. McLean, dba Trendmaker Mortgage; and
Gary R. McLean, Designated Broker.

If you wish to contest the STATEMENT OF CHARGES and NOTICE OF INTENT TO REVOKE
LICENSE AND IMPOSE FINES and have an adjudicative hearing, you must sign, date, and return this form within
twenty (20) days of the date you received it, to:

Department of Financial Institutions
Division of Consumer Services
Attn: Victoria W. Sheldon
PO Box 4200
Olympia, Washington 98504-1200

FAILURE TO RETURN THIS FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF
FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE YOU RECEIVED IT WILL
CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF YOUR RIGHT TO AN ADJUDICATIVE
HEARING AND WILL RESULT IN THE INFORMAL DISPOSITION OF YOUR CASE AS AUTHORIZED BY
RCW 34.05.440. In that case the Director may proceed to resolve this matter without further notice or hearing. In such
a case, the Director will immediately enter an appropriate order in disposition of the Statement of Charges and Notice
of Intent to Revoke License and Impose Fines.

1 INSTRUCTIONS: Circle your desired responses to items I, II, and III below.

2
3 I.

4 I [REQUEST] [DO NOT REQUEST] a formal hearing in this matter.

5
6 II.

7 I [WILL] [WILL NOT] be represented by an attorney. His/her name, address, and telephone number are:

8 _____
9 _____
10 _____

11
12 III.

13 I [REQUEST] [DO NOT REQUEST] that a qualified interpreter be appointed at no cost to me to interpret for
14 (myself) or (my witness(es)). My, or my witness's(es'), primary language is _____ (identify language).

15 My, or my witness's(es'), hearing impaired status is _____ (identify hearing impaired status). I

16 understand that a qualified interpreter will be appointed at no cost to me or to my witness(es).

17
18 IV.

19 You have the right to demand a hearing; to be represented by an attorney at your own expense; to subpoena
20 witnesses to the hearing or subpoena the production of books or documents and to otherwise defend against the
21 Statement of Charges and Notice of Intent to Revoke License and Impose Fines.

22
23 **WARNING: FAILURE TO COMPLETE AND MAIL THIS DOCUMENT SO THAT IT IS RECEIVED**
24 **BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN 20 DAYS AFTER YOU RECEIVED THE**

1 STATEMENT OF CHARGES AND NOTICE OF INTENT TO REVOKE LICENSE AND IMPOSE FINES
2 WILL RESULT IN THE DISPOSITION OF THIS CASE AS AUTHORIZED BY RCW 34.05.440.

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Dated this _____ day of _____, 2002.

By:

Signature: _____

Name: _____

Print Name

Address (if identified address is incorrect):

