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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:

JERALD ANTHONY HANSEN,  
Respondent.

NO. C-04-258-08-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 July 12, 2007, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Prohibit from Industry and Collect Investigation Fee (Statement of Charges). 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 cover letter dated July 12, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing. The Department served the Statement of Charges, cover letter dated July 12, 2007, Notice of Opportunity to Defend and Opportunity for Hearing and blank Application for Adjudicative Hearing for on Respondent on July 12, 2007 by first class mail and Federal Express overnight delivery. On July 13, 2007, the documents sent via Federal Express overnight delivery were delivered. The documents sent via first class mail were not returned to the Department by the United States Post Office.

1 Respondent did not request an adjudicative hearing within twenty calendar days after the  
2 Department served him with the Notice of Opportunity to Defend and Opportunity for Hearing, as  
3 provided for in WAC 208-08-050(2).

4 B. Record Presented. The record presented to the Director's designee for her review and  
5 for entry of a final decision included the Statement of Charges, cover letter dated July 12, 2007, Notice of  
6 Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing,  
7 with documentation of service.

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

## 10 II. FINAL ORDER

11  
12 Based upon the foregoing, and the Director's designee having considered the record and  
13 being otherwise fully advised, NOW, THEREFORE:

### 14 A. IT IS HEREBY ORDERED, That:

- 15 1. Respondent Jerald Anthony Hansen is banned from participation in the conduct of the  
16 affairs of any mortgage broker licensed by the Department or any mortgage broker  
17 exempt from licensing under RCW 19.146.020(d) & (f), in any manner, for a period  
of ten (10) years; and
- 18 2. Respondent Jerald Anthony Hansen pay an investigation fee of \$1,839.53.

19 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a  
20 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
21 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150  
22 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,  
23 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The  
24

1 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
2 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

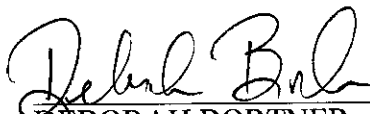
9 D. Judicial Review. Respondent has the right to petition the superior court for judicial  
10 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing  
11 a Petition for Judicial Review, see RCW 34.05.510 and sections following.

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

15 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for  
16 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
17 attached hereto.  
18  
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DATED this 7<sup>th</sup> day of April, 2008

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS



DEBORAH BORTNER  
DIRECTOR  
DIVISION OF CONSUMER SERVICES

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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:

JERALD ANTHONY HANSEN,

Respondent.

NO. C-04-258-07-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO PROHIBIT FROM INDUSTRY,  
AND COLLECT INVESTIGATION FEE

**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 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 Respondent Jerald Anthony Hansen** (Respondent Hansen) was a loan officer with Country Home Finance, Inc. at the time of the alleged violations. Respondent Hansen is known to have conducted business at the following locations:

Country Home Finance, Inc.  
11019 A Street S.  
Tacoma, WA 98444

Residential Finance America, Inc.  
11710 Vail Rd. SE  
Yelm, WA 98597

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<sup>1</sup> RCW 19.146 (1994)

1 **1.2 Investigation.** On or about January 2005, the Department received information that Respondent  
2 Hansen was charging consumers a fee of between \$600 and \$800 to enroll in a mortgage payment acceleration  
3 plan (MPAP) and then failing to enroll them in the plan and converting the fee to his own personal use. The  
4 Department initiated an investigation into this matter and, on March 9, 2005, referred the case to the  
5 Washington State Attorney General's Office for criminal prosecution.

6 **1.3 Criminal Conviction of Felonies.** On March 15, 2007, in the Superior Court of Clark County, in Cause  
7 No. 06-1-01681-7, Respondent Hansen was convicted of the following:

8 **Theft in the Second Degree** – RCW 9A.56.040, a class C Felony, 68 counts.

9 **1.4 Sentence.** As a result of Respondent Hansen's conviction of the 68 felonies described in Paragraph 1.3  
10 above, the following Judgment and Sentence was ordered:

11 **A. Confinement:** Respondent Hansen was sentenced to 68 months confinement at the  
12 Washington State Department of Corrections.

13 **B. Major Economic Offense:** Respondent Hansen was given an exceptional sentence in excess  
14 of the standard range as the Court found, pursuant to RCW 9.94A.535(d)(5), that the 68 counts  
15 of theft were a "major economic offense" justifying the imposition of 68 months in prison.

16 **C. Fines, Fees, Restitution:** Respondent Hansen was ordered to pay a fine of \$200 and  
17 restitution to the victims in the amount of \$70,600.

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

19  
20 **2.1 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent Hansen is  
21 in apparent violation of RCW 19.146.0201(1), (2), and (3), for directly or indirectly employing a scheme,  
22 device or artifice to defraud or mislead borrowers or lenders or any person, engaging in an unfair or deceptive  
23 practice toward any person, and obtaining property by fraud or misrepresentation.

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e)(i) Director may issue  
3 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed  
4 mortgage broker, any officer, principal, employee, or loan originator of any licensed mortgage broker or any  
5 person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or (12), RCW  
6 19.146.030 through RCW 19.146.080, or RCW 19.146.200, or RCW 19.146.205(4), or RCW 19.146.265 or for  
7 a conviction of a gross misdemeanor involving dishonesty or financial misconduct or a felony after obtaining a  
8 license.

9 **3.2 Authority to Charge Investigation Fee:** Pursuant to RCW 19.146.228(2), WAC-208-660-060(4) and  
10 WAC 208-660-061, upon completion of any investigation of the books and records of a licensee or other person  
11 subject to the Act a billing to cover the costs of the investigation. The investigation charge will be calculated at the  
12 rate of forty-seven dollars and seventy-eight cents (\$47.78) per hour that each staff person devoted to the  
13 investigation.

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

15 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth  
16 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis  
17 for the entry of an Order under RCW 19.146.210, RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223.

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


19 **4.1** Respondent Jerald Anthony Hansen be prohibited from participation in the conduct of the affairs of any  
20 mortgage broker or loan officer subject to licensure by the Director, in any manner, for a period of ten (10)  
21 years; and

22 **4.2** Respondent Jerald Anthony Hansen pay an investigation fee in the amount of \$1,839.53 calculated at  
23 \$47.78 per hour for the 38.5 staff hours devoted to the investigation.  
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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Prohibit From Industry and Collect  
3 Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220,  
4 RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05  
5 RCW (The Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in  
6 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this  
7 Statement of Charges.

8  
9 Dated this 12<sup>th</sup> day of July, 2007.

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11   
12 DEBORAH BORTNER  
13 Director  
14 Division of Consumer Services  
15 Department of Financial Institutions

16 Presented by:

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18 EDWARD P. JURSEK  
19 Financial Legal Examiner



20 Approved by:

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22 JAMES R. BRUSSELBACK  
23 Enforcement Chief

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

JERALD ANTHONY HANSEN

Respondent.

C-04-258-07-SC01

NOTICE OF OPPORTUNITY TO DEFEND  
AND OPPORTUNITY FOR HEARING

THE STATE OF WASHINGTON TO:

JERALD ANTHONY HANSEN

YOU ARE HEREBY NOTIFIED that a STATEMENT OF CHARGES 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. 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 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. You may require the attendance of witnesses by subpoena. If you are limited English-speaking or hearing impaired, you have the right to have an interpreter appointed at no cost to you, as discussed below.



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

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

14                            Department of Financial Institutions  
15                            Division of Consumer Services  
16                            Attn: Fatima Batic  
17                            PO Box 41200  
18                            Olympia, Washington 98504-1200

19            Dated this 12<sup>th</sup> day of July, 2007.



20                            *Deborah Bortner*

21                            \_\_\_\_\_  
22                            DEBORAH BORTNER  
23                            Director  
24                            Division of Consumer Services  
25                            Department of Financial Institutions