

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

LINDSTROM FINANCIAL GROUP, INC.,

Respondent.

NO. C-06-007-07-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 October 5, 2007, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Revoke License (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 October 8, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Lindstrom Financial Group, Inc. The Department served the Statement of Charges, cover letter dated October 8, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing for Lindstrom Financial Group, Inc., on Respondent on October 8, 2007, by first class mail and Federal Express overnight delivery. On October 9, 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 Lindstrom Financial Group, Inc., did not request an adjudicative hearing within
2 twenty calendar days after the Department served it with the Notice of Opportunity to Defend and
3 Opportunity for Hearing, as 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 October 8, 2007, Notice
6 of Opportunity to Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing
7 for Lindstrom Financial Group, Inc., 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.

11 II. FINAL ORDER

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 Lindstrom Financial Group, Inc.'s license to conduct the business of a
16 Consumer Lender is revoked.

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

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

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

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

10 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
11 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
12 attached hereto.
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14 DATED this 5th day of December, 2007.

15 STATE OF WASHINGTON
16 DEPARTMENT OF FINANCIAL INSTITUTIONS



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DEBORAH BORTNER
DIRECTOR
DIVISION OF CONSUMER SERVICES

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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
Consumer Loan Act of Washington by:

LINDSTROM FINANCIAL GROUP, INC.,

Respondent.

NO. C-06-007-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE

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INTRODUCTION

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to RCW 31.04.145, and based upon the facts available as of 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 Respondent Lindstrom Financial Group, Inc., (Respondent Lindstrom) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a Consumer Loan Company on July 28, 2004, and has continued to be licensed to date.

1.2 Licensed Location: Respondent Lindstrom is licensed to conduct the business of a Consumer Lender at: 2134 Main Street, Suite 280, Huntington Beach, California 92648-4928

1.3 Annual Report: An annual report is due to the Department on or before the first day of March of each year, concerning the business and operations of each licensed place of business conducted during the preceding calendar year. The annual report must be made under oath and must be in the form prescribed by the Director.

To date, Respondent has not provided the annual reports relating to the following calendar year[s]: 2005, due by

1 March 1, 2006; 2006, due by March 1, 2007. The annual report for the year ending December 31, 2007, will be
2 due no later than March 1, 2008.

3 **1.4 Annual Assessment:** A calculation worksheet and an annual assessment fee are due to the Department
4 on or before the first day of March of each year, relating to the previous calendar year. To date, Respondent has
5 not provided the calculation worksheets or paid the annual assessment fees for the following calendar years:
6 2005, due by March 1, 2006; 2006, due by March 1, 2007. The calculation worksheet and annual assessment fee
7 for the year ending December 31, 2007, will be due no later than March 1, 2007.

8 **1.5 On-Going Investigation:** The Department's investigation into the alleged violations of the Act by
9 Respondent continues to date.

10 **II. GROUNDS FOR ENTRY OF ORDER**

11 **2.1 Requirement to File Annual Report:** Based on the Factual Allegations set forth in Section I above,
12 Respondent is in apparent violation of RCW 31.04.155 and WAC 208-620-220(1) for failing to provide an
13 annual report to the Director, under oath and in the form prescribed by the Director, on or before the first day of
14 March, concerning the business and operations of each licensed place of business conducted during the
15 preceding calendar year.

16 **2.2 Requirement to Calculate and Pay Annual Assessment:** Based on the Factual Allegations set forth
17 in Section I above, Respondent is in apparent violation of RCW 31.04.085, WAC 208-620-190(3), and WAC
18 208-620-220(1) for failing to provide to the Director completed annual assessment calculation worksheets and
19 for failing to pay to the Director annual assessment fees on or before the first day of March, relating to the
20 previous calendar year.

21 **III. AUTHORITY TO IMPOSE SANCTIONS**

22 **3.1 Authority to Revoke License:** Pursuant to RCW 31.04.093(3)(a) and (b), the Director may revoke a
23 license if a licensee fails to pay any fee due the state of Washington or violates any provision of the Act or any
24 rule adopted under the Act either knowingly or without exercise of due care.

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

2 Respondent's violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC, as set forth in
3 the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the entry of an Order under
4 RCW 31.04.093, RCW 31.04.165, and RCW 31.04.205. Therefore, it is the Director's intention to ORDER that:

5 **4.1** Respondent Lindstrom Financial Group, Inc.'s license to conduct the business of a Consumer Loan
6 Company be revoked;

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1 **IV. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Revoke License is entered
3 pursuant to the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is
4 subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondent may make a
5 written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
6 OPPORTUNITY FOR HEARING accompanying this Statement of Charges and Notice of Intention to Enter an
7 Order to Revoke License.

8 Dated this 5th day of October, 2007.

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

15 Presented by:

16 

17 Steven C. Sherman
18 Financial Legal Examiner

19 Approved by:

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21 James R. Brusselback
22 Program Manager and Enforcement Chief

