

**ORDER SUMMARY – Case Number: C-09-205**

**Name(s):** Great American Escrow LLC  
Christopher Alan Benson

**Order Number:** C-09-205-11-CO01

**Effective Date:** January 4, 2012

**License Number:** DFI 18600/22717

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** 18600 - none  
22717 - revoked

**Not Apply Until:** \_\_\_\_\_

**Not Eligible Until:** \_\_\_\_\_

**Prohibition/Ban Until:** January 4, 2016

<b>Investigation Costs</b>	\$1,125	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$5,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

**Comments:** Examination Fee: \$12,751.20 Paid.

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ENFORCEMENT UNIT  
DIVISION OF CONSUMER SERVICES  
DEPT OF FINANCIAL INSTITUTIONS

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

IN THE MATTER OF DETERMINING:  
Whether there has been a violation of the  
Escrow Agent Registration Act of Washington by:

No.: C-09-205-11-CO01

CONSENT ORDER

GREAT AMERICAN ESCROW, LLC, and  
CHRISTOPHER A. BENSON,  
Owner and Designated Escrow Officer,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Great American Escrow, LLC, (Respondent Great American), and Christopher A. Benson, Owner and Designated Escrow Officer (Respondent Benson), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 18.44 of the Revised Code of Washington (RCW) and RCW 34.05.060 of the Administrative Procedure Act based on the following:

**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-09-205-09-SC01 (Statement of Charges), entered October 4, 2010, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration 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. The parties intend this Consent

1 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the  
2 Statement of Charges in consideration of the terms of this Consent Order.

3 Based upon the foregoing:

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

6 **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a  
7 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all  
8 administrative and judicial review of the issues raised in this matter, or of the resolution reached  
9 herein. Accordingly, Respondents, by their signatures and the signatures of their representatives  
10 below, withdraw their appeal to the Office of Administrative Hearings.

11 **C. No Admission of Liability.** It is AGREED that Respondents do not admit to any  
12 wrongdoing by entry of this Consent Order.

13 **D. Escrow Officer License Revocation.** It is AGREED that Respondent Benson's license to  
14 conduct business as an Escrow Officer or Designated Escrow Officer is revoked.

15 **E. Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the  
16 date of entry of this Consent Order, Respondents are prohibited from participating in the conduct of  
17 the affairs of any escrow agent licensed by the Department or subject to licensure or regulation by the  
18 Department, in any capacity, including but not limited to: (1) any financial capacity whether active  
19 or passive; or (2) as an officer, director, principal, partner, LLC member, designated escrow officer,  
20 escrow officer, or employee, or (3) any management, control, or oversight or maintenance of any  
21 trust account(s) in any way related to any escrow transaction; or (4) receiving, disbursing, managing,  
22 or controlling in any way, consumer trust funds in any way related to any escrow transaction.

1 F. **Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of  
2 \$5,000.00 in the form of a cashier's check made payable to the "Washington State Treasurer" upon  
3 entry of this Consent Order.

4 G. **Examination Fee.** It is AGREED that Respondents shall pay to the Department an  
5 examination fee of \$12,751.20 in the form of a cashier's check made payable to the "Washington  
6 State Treasurer" upon entry of this Consent Order.

7 H. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an  
8 investigation fee of \$1,125.00 in the form of a cashier's check made payable to the "Washington  
9 State Treasurer" upon entry of this Consent Order. The Fine, Examination Fee, and Investigation Fee  
10 must be paid together in one \$18,876.20 cashier's check made payable to the "Washington State  
11 Treasurer."

12 I. **Records Retention.** It is AGREED that Respondents, their officers, employees, and  
13 agents shall maintain records in compliance with the Act and provide the Director with the location  
14 of the books, records and other information relating to Respondents' escrow agent business, and the  
15 name, address, and telephone number of the individual responsible for maintenance of such records  
16 in compliance with the Act.

17 J. **Authority to Execute Order.** It is AGREED that the undersigned have represented and  
18 warranted that they have the full power and right to execute this Consent Order on behalf of the  
19 parties represented.

20 K. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to  
21 abide by the terms and conditions of this Consent Order may result in further legal action by the  
22 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director  
23 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

1 L. **Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily  
2 entered into this Consent Order, which is effective when signed by the Director's designee.

3 M. **Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read  
4 this Consent Order in its entirety and fully understand and agree to all of the same.

5 **RESPONDENTS:**

6 **Great American Escrow, LLC**

7 By: [Redacted]

8  
9 Christopher A. Benson  
Owner and Designated Escrow Officer

7/13/11  
Date

10 [Redacted]  
11 Christopher A. Benson  
Escrow Officer

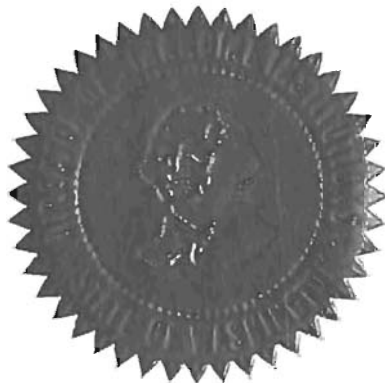
7/13/11  
Date

12 [Redacted]  
13 Christopher A. Benson  
14 Individually

7/13/11  
Date

15  
16 **DO NOT WRITE BELOW THIS LINE**

17 THIS ORDER ENTERED THIS 4<sup>th</sup> DAY OF July, 2012.

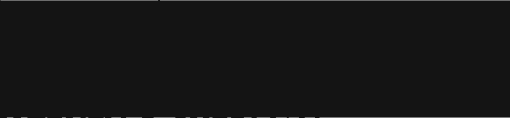


[Redacted Signature]

20 DEBORAH BORTNER  
21 Director  
22 Division of Consumer Services  
23 Department of Financial Institutions

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Presented by:



STEVEN C. SHERMAN  
Financial Legal Examiner

Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief

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

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IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Escrow Agent Registration Act of Washington  
by:

GREAT AMERICAN ESCROW, LLC and  
CHRISTOPHER A. BENSON, Owner and  
Designated Escrow Officer,

Respondents.

NO. C-09-205-09-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO REVOKE  
LICENSE, PROHIBIT FROM INDUSTRY,  
IMPOSE FINE, COLLECT EXAMINATION  
FEE, AND COLLECT INVESTIGATION FEE

**INTRODUCTION**

Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions (Director) is responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (the Act). After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680G-020, and based upon the facts available as of the date of this document, the Director, through his designee, Deborah Bortner, Division Director, Division of Consumer Services, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

**A. Great American Escrow, LLC (Respondent Great American)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as an escrow agent on or about December 13, 1995. Respondent Great American surrendered its license on or about February 23, 2009.

**B. Christopher A. Benson (Respondent Benson)** is known to be an owner of Respondent Great American. Respondent Benson was licensed by the Department to conduct business as the designated escrow officer for Respondent Great American on or about December 19, 2001. Respondent Benson continues to be licensed to date as an inactive escrow officer.

1 **1.2 Examination.** Between January 26, 2009, and June 8, 2009, the Department conducted an  
2 examination of Respondents' books and records.

3 **1.3 Misrepresenting Licensing Credentials.** Respondents use an APR 12 Notice to Parties with  
4 the escrow instructions that states, "the services of the closing agent under these instructions will be  
5 performed by a person certified as a Limited Practice Officer under the Admission to Practice Rule  
6 12..." In at least five escrow transactions (0607010CB, 0607011CB, 0702002CB, 0711003CB, and  
7 0711011CB), the APR 12 Notice to Parties was signed by Respondents' employee Micki Thompson,  
8 who has never been certified as a Limited Practice Officer.  
9

10 **1.4 Making False Entries in Books and Records.**

11 **A.** In escrow transaction 0605033CB, Respondents issued a check for \$2,742.52 payable to  
12 Respondent Great American on August 18, 2006, but returned the money to the escrow trust account  
13 and recorded in the transaction record that the money had been received from the buyer in the  
14 transaction. Respondents also reported in the transaction records that they had received \$78.97 from  
15 the seller in the transaction on November 16, 2007, but Respondents' bank records do not show such a  
16 deposit.

17 **B.** In escrow transaction 0704009CB, Respondents reported in the transaction records that  
18 \$53,151 had been wired out of the escrow trust account on July 25, 2008. Respondents' bank records,  
19 however, show that no such wire took place. Respondents also reported in the transaction records that  
20 three deposits were received on July 25, 2008, totaling \$53,151, but Respondents' bank records show  
21 no such funds were received.

22 **C.** In escrow transaction 0801005CB, Respondents reported in the transaction records that  
23 \$3,000 had been wired from the account on March 4, 2008, payable to Universal Flooring.  
24 Respondents' bank records, however, show that this wire did not occur.  
25



1           **D.** In escrow transaction 0609011CB, Respondents reported in the transaction records that  
2 they had received an incoming wire deposit on March 4, 2008, for \$3,000 from Universal Flooring.  
3 Respondents' bank records, however, show that this wire did not occur.

4           **E.** In escrow transaction 0803006CB, Respondents reported in transaction records that  
5 \$9,181.36 was wired out on April 8, 2008. Respondents' bank records, however, show that this wire  
6 did not occur. Respondents also reported in the transaction records that a deposit in the amount of  
7 \$9,181.36 was made the same date. Respondents' bank records, however, show that this deposit did  
8 not occur.

9  
10       **1.5 Misuse of Trust Funds.**

11           **A.** In escrow transaction 0606010CB, Respondents issued a check for \$1,087.06 on July 9,  
12 2007, which reduced the account balance to \$0.00. On October 22, 2007, however, Respondents  
13 issued another check from this account, payable to Respondent Great American, for \$1,087.06. This  
14 action caused the account to be overdrawn until Respondents replaced the money on March 4, 2008.

15           **B.** In at least three escrow transactions (0403002CB, 0611011CB, and 0802006CB),  
16 Respondents issued checks from the trust account directly to Respondent Benson. In one escrow  
17 transaction (0810011CB), Respondents issued a check from the trust account directly to employee  
18 Laura K. Sharp.

19  
20       **1.6 Failure to Maintain Accurate Records.**

21           **A.** In at least eight escrow transactions (0605035CB, 0610007CB, 0702023CB, 0710004CB,  
22 0803011CB, 0807001CB0809005CB, and 0805013CB), Respondents used the services of Michael  
23 Sharp and Michaels Courier Services and paid fees totaling \$5,140.33. Respondents' records,  
24 however, do not contain any invoices or other documentation for those services.

25

1           **B.** In all escrow transactions reviewed, Respondents did not identify the party receiving  
2 outgoing wire transfers and inter-escrow account transfers. Respondents did not maintain  
3 documentation of outgoing wire transfers or verify with the trust account bank that funds had been  
4 wired out of trust into a payee's account. The Department's examiners interviewed Respondents'  
5 employee, Micki Thompson, who indicated she was unaware that verification or documentation of  
6 outgoing wires or inter-escrow account transfers was required.

7           **C.** Respondents did not maintain in its records copies of cancelled checks for the month of  
8 January 2008.

9           **D.** In escrow transaction 0509028CB, Respondents' December 2005 reconciliation report  
10 shows an outgoing wire of \$395,150.81 on December 19, 2005. Respondents' bank records, however,  
11 show two outgoing wires totaling \$395,150.81: one for \$195,150.81 and one for \$200,000.00.

12           **E.** In escrow transaction 0804005CB, Respondents' May 2008 Reconciled Checks report  
13 shows two outgoing wires to America One Finance on May 23, 2008: one for \$4,434.90 and one for  
14 \$4,106.23. Respondents' bank records, however, show that only one wire of \$8,541.23 was issued to  
15 America One Finance on May 23, 2008.

16           **F.** In escrow transaction 0807001CB, Respondents' September 2008 Escrow Summary report  
17 shows an outgoing wire of \$1,082,141.16 to Pacific International Bank on September 30, 2008.  
18 Respondents' bank records, however, show that three wires totaling that amount were issued to Pacific  
19 International Bank on September 30, 2008.

20           **G.** In escrow transaction 0807008CB, Respondents' September 2008 Reconciled Check report  
21 shows two outgoing wires of \$856.50 and \$1,952.50 to The Talon Group on September 15, 2008.  
22 Respondents' bank records, however, show that only one wire of \$2,809.00 was issued to The Talon  
23 Group on September 15, 2008.  
24  
25

1 **1.7 Failure to Ensure that all Fees are Bona Fide.**

2 A. In escrow transaction 0702023CB, Respondents paid \$365.16 more in county fees than was  
3 actually owed. Additionally, Respondents paid several fees to Pierce County which were actually  
4 owed to King County.

5 B. In escrow transaction 0605033CB, Respondents paid five fees totaling \$200.99 to  
6 Respondent Great America which were not disclosed in writing on the fee schedule and were not  
7 supported by any documentation in Respondents' records.

8 **1.8 Failure to Provide Written Disclosure of Escrow Fees.** In all escrow transactions reviewed,  
9 the Department was unable to find any evidence that Respondents provided a written disclosure to  
10 principal parties that includes all fees that may be realized by Respondents. Moreover, the fee rate  
11 schedule Respondents provided to consumers did not disclose that fees may be charged for third-party  
12 courier services, wire transfers, electronic document processing, and reconveyance services, as well as  
13 other miscellaneous fees charged by Respondents.

14 **1.9 Failure to Completely Comply with Director's Authority.** On February 24, 2009, the  
15 Department issued a subpoena to Respondents requiring copies of 69 specific escrow files.  
16 Respondents only provided 65 of those files.

17 **1.10 On-Going Investigation.** The Department's investigation into the alleged violations of the Act  
18 by Respondents continues to date.

19  
20 **II. GROUNDS FOR ENTRY OF ORDER**

21 **2.1 Liability for Conduct of Others.** Pursuant to RCW 18.44.071, every licensed escrow agent  
22 shall ensure that all escrow transactions are supervised by a licensed escrow officer. The designated  
23 escrow officer shall be responsible for that agent's handling of escrow transactions, management of  
24 the agent's trust account, and supervision of all other licensed escrow officers employed by the agent.  
25

1 Responsibility for the conduct of any licensed escrow officer shall rest with the designated escrow  
2 officer having direct supervision of such person's escrow activities. Pursuant to WAC 208-680D-010,  
3 the designated escrow officer shall be responsible for the custody, safety, and correctness of entries of  
4 all required escrow records. The escrow officer retains this responsibility even though another person  
5 or persons may be assigned by the escrow officer the duties of preparation, custody, recording or  
6 disbursing.

7  
8 **2.2 Misrepresenting Licensing Credentials.** Based on the factual allegations set forth in Section I  
9 above, Respondents are in apparent violation of RCW 18.44.301(2), (4), and (6), RCW 18.44.400(1), and  
10 WAC 208-680D-010 for misrepresenting the licensing credentials of employee Micki Thompson.

11 **2.3 Prohibition Against Making False Entries in Books and Records.** Based on the factual  
12 allegations set forth in Section I above, Respondents are in apparent violation of RCW 18.44.301(2), (4),  
13 and (6), RCW 18.44.400(1), WAC 208-680D-020, and WAC 208-680D-030(1) for making false entries  
14 in books and records.

15 **2.4 Misuse of Trust Funds.** Based on the factual allegations set forth in Section I above,  
16 Respondents are in apparent violation of RCW 18.44.301(2), RCW 18.44.400(3), and WAC 208-680E-  
17 011(14)(d) for making unlawful disbursements from the trust account.

18 **2.5 Requirement to Maintain Accurate Records.** Based on the factual allegations set forth in  
19 Section I above, Respondents are in apparent violation of RCW 18.44.301(2), RCW 18.44.400(1), WAC  
20 208-680D-020, and WAC 208-680D-030(1) for failing to maintain accurate records.

21  
22 **2.6 Requirement to Ensure that all Fees are Bona Fide.** Based on the factual allegations set forth  
23 in Section I above, Respondents are in apparent violation of RCW 18.44.301(2) and WAC 208-680D-  
24 040(3) for failing to ensure that all fees charged in an escrow transaction are bona fide.

25

1 **2.7 Requirement to Provide Written Disclosure of Escrow Fees.** Based on the factual  
2 allegations set forth in Section I above, Respondents are in apparent violation of RCW 18.44.301(2),  
3 and WAC 208-680D-040(2) for failing to provide written disclosures to principal parties that includes  
4 all fees that may be realized by Respondents.

5 **2.8 Requirement to Comply with Director's Authority.** Based on the factual allegations set  
6 forth in Section I above, Respondents are in apparent violation of RCW 18.44.420 and WAC 208-  
7 680G-010 for failing to completely comply with a subpoena issued by the Director.  
8

9 **2.9 Requirement to Supervise Escrow Transactions.** Based on the factual allegations set forth  
10 in Section I above, Respondent Benson is in apparent violation of RCW 18.44.071 and WAC 208-  
11 680D-010 for failing to properly supervise all employees engaged in escrow transactions for  
12 Respondents.

### 13 III. AUTHORITY TO IMPOSE SANCTIONS

14 **3.1 Authority to Revoke License.** Pursuant to RCW 18.44.430(1)(b), the Director may revoke  
15 the license of any escrow agent or escrow officer for violating any of the provisions of the Act or any  
16 lawful rules made by the Director pursuant to the Act.

17 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 18.44.430(3), in addition to or in  
18 lieu of license denial the Director may remove and/or prohibit from participation in the conduct of the  
19 affairs of a licensed escrow agent, any officer, controlling person, director, employee, or licensed  
20 escrow officer.  
21

22 **3.3 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in  
23 addition to or in lieu of license denial the Director may impose a fine of up to \$100 per day for each day's  
24 violation of the Act or rules adopted thereunder.  
25

1 **3.4 Authority to Collect Examination and Investigation Fee.** Pursuant to RCW 18.44.410 and  
2 WAC 208-680G-050, the expense of an examination pursuant to WAC 208-680G-010 or an investigation  
3 pursuant to WAC 208-680G-020 shall be borne by the entity which is the subject of the investigation.

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

5 Respondents' violations of the provisions of chapter 18.44 RCW as set forth in the above Factual  
6 Allegations and Grounds For Entry Of Order constitute a basis for the entry of an Order under RCW  
7 18.44.410, RCW 18.44.430, RCW 18.44.301, and WAC 208-680G-030, which authorize the Director to  
8 enforce all laws, rules, and regulations related to the registration of escrow agents and licensing of escrow  
9 officers. Therefore, it is the Director's intention to ORDER that:

10 **4.1** Respondent Christopher A. Benson's license to conduct the business of an escrow officer or  
11 designated escrow officer be revoked;

12 **4.2** Respondent Christopher A. Benson be prohibited from participating in the conduct of the affairs  
13 of any licensed escrow agent, as owner, officer, controlling person, director, employee, designated escrow  
14 officer, or licensed escrow officer for a period of five years;

14 **4.3** Respondents Great American Escrow, LLC and Christopher A. Benson jointly and severally  
15 pay a fine which as of the date of these charges totals \$50,000;

16 **4.4** Respondents Great American Escrow, LLC and Christopher A. Benson jointly and severally  
17 pay costs of examination which as of the date of these charges totals \$12,751.20, and which includes  
18 an examination fee of \$12,375.00, calculated at \$62.50 per hour for 198 staff hours, and travel costs of  
19 \$376.00;

19 **4.5** Respondents Great American Escrow, LLC and Christopher A. Benson jointly and severally  
20 pay an investigation fee which as of the date of these charges totals \$1,125.00, calculated at \$62.50 per  
21 hour for 18 staff hours; and

21 **4.6** Respondents Great American Escrow, LLC and Christopher A. Benson maintain all records  
22 involving Washington escrow transactions for a minimum of six years following the closing or  
23 termination of the escrow transaction.

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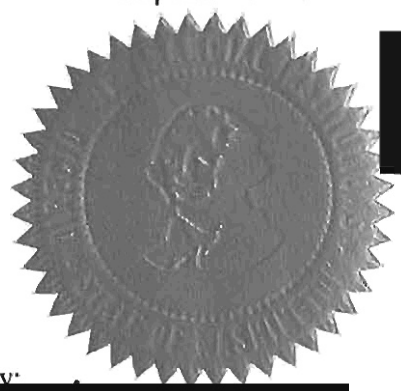
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**V. AUTHORITY AND PROCEDURE**

This Statement of Charges and Notice of Intent to Revoke License, Prohibit from Industry, Impose Fine, Collect Examination Fee, and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 18.44.410 and RCW 18.44.430, and is subject to the provisions of chapter 34.05 RCW. 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.

DATED this 4<sup>th</sup> day of October, 2010.



[Redacted signature area]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted name]

STEVEN C. SHERMAN  
Financial Legal Examiner

Approved by:

[Redacted signature]

JAMES R. BRUSSELBACK  
Enforcement Chief