

**ORDER SUMMARY – Case Number: C-09-262**

**Name(s):** Choice National Loan Consulting aka Choice Loan Consulting;  
 Jeffrie B. Harper; D. Jordan Ruzicka  
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**Order Number:** C-09-262-12-FO01  
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**Effective Date:** December 30, 2013  
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**License Number:** N/A  
**Or NMLS Identifier [U/L]** \_\_\_\_\_

**License Effect:**  
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**Not Apply Until:** December 30, 2018  
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**Not Eligible Until:** December 30, 2018  
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**Prohibition/Ban Until:** December 30, 2018  
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<b>Investigation Costs</b>	\$1,430.40	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$22,250	Due	Paid <input type="checkbox"/> Y <input checked="" 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:	47			

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

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

No.: C-09-262-12-FO01

7 CHOICE NATIONAL LOAN CONSULTING,  
8 LLC, a/k/a CHOICE LOAN CONSULTING,  
9 JEFFRIE B. HARPER, Manager,  
10 DAVID R. LUND, Manager,  
11 D. JORDAN RUZICKA, Manager, and  
12 KARL A. WEBSTER, Manager,

FINAL ORDER AS TO  
CHOICE NATIONAL LOAN CONSULTING,  
LLC, JEFFRIE B. HARPER, AND  
D. JORDAN RUZICKA

Respondents.

13 I. DIRECTOR'S CONSIDERATION

14 A. Default. This matter has come before the Director of the Department of Financial  
15 Institutions of the State of Washington (Director), through his designee, Consumer Services Division  
16 Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On September 6,  
17 2011, the Director, through the Director's designee, issued a Statement of Charges and Notice of  
18 Intention to Enter an Order to Prohibit from Industry, Impose Fine, Order Restitution, and Collect  
19 Investigation Fee (Statement of Charges) against Choice National Loan Consulting, LLC, a/k/a  
20 Choice Loan Consulting, Jeffrie B. Harper, and D. Jordan Ruzicka (Respondents). A copy of the  
21 Statement of Charges is attached and incorporated into this order by this reference. The Statement of  
22 Charges was accompanied by a cover letter dated September 8, 2011, a Notice of Opportunity to  
23 Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for  
24 Respondents (collectively, accompanying documents).

On September 8, 2011, the Department served Respondents with the Statement of Charges  
and accompanying documents by First-Class mail and Federal Express overnight delivery. On

1 September 9, 2011, the documents sent by Federal Express overnight delivery were delivered. The  
2 documents sent by First-Class mail were not returned to the Department by the United States Postal  
3 Service.

4 Respondents did not request an adjudicative hearing within twenty calendar days after the  
5 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for  
6 in WAC 208-08-050(2).

7 B. Record Presented. The record presented to the Director's designee for her review and  
8 for entry of a final decision included the following: Statement of Charges, cover letter dated  
9 September 8, 2011, Notice of Opportunity to Defend and Opportunity for Hearing, and blank  
10 Applications for Adjudicative Hearing for Respondents, with documentation for service.

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

13 II. FINAL ORDER

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

16 A. IT IS HEREBY ORDERED, That:

- 17 1. Respondent Choice National Loan Consulting, LLC is prohibited from  
18 participation in the conduct of the affairs of any mortgage broker subject to  
19 licensure by the Director, in any manner, for a period of five years.
- 20 2. Respondent Jeffrie B. Harper is prohibited from participation in the conduct of the  
21 affairs of any mortgage broker subject to licensure by the Director, in any manner,  
22 for a period of five years.
- 23 3. Respondent D. Jordan Ruzicka is prohibited from participation in the conduct of  
24 the affairs of any mortgage broker subject to licensure by the Director, in any  
manner, for a period of five years.
4. Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, and D.  
Jordan Ruzicka jointly and severally pay a fine of \$22,250.

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2 5. Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, and D.  
Jordan Ruzicka jointly and severally pay an investigation fee of \$1,430.40.

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

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

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

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

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

1 F. 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.

4 DATED this 30<sup>th</sup> day of December, 2013



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS



DEBORAH BORTNER  
Director  
Division of Consumer Services



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

No.: C-09-262-13-FO02

CHOICE NATIONAL LOAN CONSULTING,  
LLC, a/k/a, CHOICE LOAN CONSULTING,  
JEFFRIE B. HARPER, Manager,  
DAVID R. LUND, Manager,  
D. JORDAN RUZICKA, Manager,  
JEFF SETLOW, Manager, and  
KARL A. WEBSTER, Manager,

ORDER WITHDRAWING STATEMENT OF  
CHARGES WITHOUT PREJUDICE AS TO:

JEFF SETLOW

Respondents.

I. DIRECTOR'S CONSIDERATION

Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington ("Director"), pursuant to RCW 34.05.464. On September 6, 2011, the Director, through his designee, Consumer Services Division Director Deborah Bortner, issued a Statement of Charges and Notice of Intention to Enter an Order to Prohibit From industry, Impose Fine, Order Restitution and Collect Investigation Fee ("Statement of Charges") against Jeff Setlow ("Respondent"). Thereafter, Counsel for Respondent Setlow made certain representations to the Department which justify withdrawing Respondent Setlow from this Action at this time.

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1            II. ORDER WITHDRAWING STATEMENT OF CHARGES WITHOUT PREJUDICE

2            Based upon the foregoing, and the Director having considered the record and being otherwise  
3 fully advised, NOW, THEREFORE:

4            A.    IT IS HEREBY ORDERED, That:

- 5                    1. The Statement of Charges with regard to Jeff Setlow is withdrawn without  
6                    prejudice.

7            DATED this 16<sup>th</sup> day of April, 2013.



8                    STATE OF WASHINGTON  
9                    DEPARTMENT OF FINANCIAL INSTITUTIONS

10                    [Redacted Signature]  
11                    SCOTT JARVIS  
12                    Director

13            Presented by:  
14            [Redacted Signature]

15            ROBERT E. JONES  
16            Financial Legal Examiner

17            Approved by:  
18            [Redacted Signature]

19            STEVEN C. SHERMAN  
20            Supervising Enforcement Attorney

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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:

CHOICE NATIONAL LOAN CONSULTING,  
LLC, a/k/a, CHOICE LOAN CONSULTING,  
JEFFRIE B. HARPER, Manager,  
DAVID R. LUND, Manager,  
D. JORDAN RUZICKA, Manager,  
JEFF SETLOW, Manager, and  
KARL A. WEBSTER, Manager,

Respondents.

No. C-09-262-11-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO PROHIBIT FROM INDUSTRY,  
IMPOSE FINE, ORDER RESTITUTION,  
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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235, 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 Respondents.**

A. **Choice National Loan Consulting, LLC (Choice Loan Consulting)** was an Arizona Limited Liability Company located at 1400 N. Gilbert Road Suite H, Gilbert, Arizona, 85234.

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<sup>1</sup> RCW 19.146 (2008)



1 Respondent Choice Loan Consulting has never been licensed to conduct the business of a Mortgage  
2 Broker by the Department of Financial Institutions.

3 B. **Jeffrie B. Harper (Harper)** was a manager of Respondent Choice Loan Consulting.  
4 Respondent Harper has never been licensed by the Department of Financial Institutions in any  
5 capacity.

6 C. **David R. Lund (Lund)** was a manager of Respondent Choice Loan Consulting.  
7 Respondent Lund has never been licensed by the Department of Financial Institutions in any  
8 capacity.

9 D. **D. Jordan Ruzicka (Ruzicka)** was a manager of Respondent Choice Loan  
10 Consulting. Respondent Ruzicka has never been licensed by the Department of Financial Institutions  
11 in any capacity.

12 E. **Jeff Setlow (Setlow)** was a manager of Respondent Choice Loan Consulting.  
13 Respondent Setlow has never been licensed by the Department of Financial Institutions in any  
14 capacity.

15 F. **Karl A. Webster (Webster)** was a manager of Respondent Choice Loan Consulting.  
16 Respondent Webster has never been licensed by the Department of Financial Institutions in any  
17 capacity.

18 **1.2 Unlicensed Activity.** Between approximately December 2008, through September 2009,  
19 Respondents assisted at least 47 borrowers in applying to obtain a loan modification on property  
20 located in Washington State from the unlicensed location referenced in paragraph 1.1. Respondents  
21 did not obtain modifications for all of these borrowers. The borrowers paid fees to Respondents  
22 totaling at least \$170,600.

1 **1.3 Failure to Respond to Directives.** On or about March 9, 2009, the Department sent a  
2 directive to Respondents by First-Class mail requiring Respondents to provide an explanation of its  
3 apparent unlicensed activity. This directive was not returned as undeliverable to the Department by  
4 the United States Postal Service. Respondents did not provide a response to this directive. On or  
5 about April 14, 2009, the Department issued a subpoena to Respondents compelling production of an  
6 explanation. Respondents sent an email to the Department on or about May 5, 2009, declining to  
7 provide any response to the subpoena or directive.

8 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the  
9 Act by Respondents continues to date.

## 10 II. GROUNDS FOR ENTRY OF ORDER

11 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-006,  
12 "Mortgage broker" means any person who, for compensation or gain, or in the expectation of  
13 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage  
14 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to  
15 obtain a residential mortgage loan.

16 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10) and WAC 208-660-006,  
17 "Loan originator" means a natural person who (a) takes a residential mortgage loan application for a  
18 mortgage broker, or (b) offers or negotiates terms of a mortgage loan, for direct or indirect  
19 compensation or gain, or in the expectation of direct or indirect compensation or gain. "Loan  
20 originator" does not mean persons performing purely administrative or clerical tasks for a mortgage  
21 broker. For the purposes of this subsection, "administrative or clerical tasks" means the receipt,  
22 collection, and distribution of information common for the processing of a loan in the mortgage  
23 industry and communication with a borrower to obtain information necessary for the processing of a

1 loan. A person who holds him or herself out to the public as able to obtain a loan is not performing  
2 administrative or clerical tasks.

3 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006,  
4 “Borrower” means any person who consults with or retains a mortgage broker or loan originator in an  
5 effort to obtain or seek advice or information on obtaining or applying to obtain a residential  
6 mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the  
7 person actually obtains such a loan.

8 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on Factual  
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200  
10 for engaging in the business of a mortgage broker or loan originator without first obtaining and  
11 maintaining a license under the Act.

12 **2.5 Requirement to Comply with Investigation Authority.** Based on the Factual Allegations  
13 set forth in Section I above, Respondents are in apparent violation of RCW 19.146.235 for failing to  
14 comply with the Department’s investigation authority.

15 **III. AUTHORITY TO IMPOSE SANCTIONS**

16 **3.1 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
17 issue orders removing from office or prohibiting from participation in the conduct of the affairs of  
18 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
19 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
20 19.146.200 or failure to comply with a directive or order of the Director.

21 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(3) and WAC 208-660-530, the  
22 Director may impose fines on a licensee, employee or loan originator of the licensee, or other person  
23

1 subject to the Act for any violations of RCW 19.146.200 or failure to comply with a directive or  
2 order of the Director.

3 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may issue  
4 orders directing a licensee, its employee or loan originator, or other person subject to the Act to pay  
5 restitution.

6 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-  
7 660-550(4), the Department will charge forty-eight dollars per hour that each staff person devoted to  
8 the investigation.

#### 9 IV. NOTICE OF INTENTION TO ENTER ORDER

10 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC,  
11 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
12 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and  
13 RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

14 **4.1** Respondent Choice National Loan Consulting, LLC be prohibited from participation in the  
15 conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for  
a period of five years.

16 **4.2** Respondent Jeffrie B. Harper be prohibited from participation in the conduct of the affairs of  
17 any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

18 **4.3** Respondent David R. Lund be prohibited from participation in the conduct of the affairs of  
any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

19 **4.4** Respondent D. Jordan Ruzicka be prohibited from participation in the conduct of the affairs of  
20 any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

21 **4.5** Respondent Jeff Setlow be prohibited from participation in the conduct of the affairs of any  
mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

22 **4.6** Respondent Karl A. Webster be prohibited from participation in the conduct of the affairs of  
23 any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

- 1 **4.7** Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, David R. Lund, D.  
Jordan Ruzicka, Jeff Setlow, and Karl A. Webster jointly and severally pay a fine. As of the date of  
2 this Statement of Charges, the fine totals \$22,250.
- 3 **4.8** Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, David R. Lund, D.  
Jordan Ruzicka, Jeff Setlow, and Karl A. Webster jointly and severally pay restitution totaling  
4 \$170,600 to the 47 borrowers identified in paragraph 1.2 of this Statement of Charges.
- 5 **4.9** Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, David R. Lund, D.  
Jordan Ruzicka, Jeff Setlow, and Karl A. Webster jointly and severally pay restitution in an amount  
6 to be shown at hearing to any similarly situated borrowers.
- 7 **4.10** Respondents Choice National Loan Consulting, LLC, Jeffrie B. Harper, David R. Lund, D.  
Jordan Ruzicka, Jeff Setlow, and Karl A. Webster jointly and severally pay an investigation fee. As  
8 of the date of this Statement of Charges, the investigation fee totals \$1,430.40.  
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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  
3 Industry, Impose Fine, Order Restitution and Collect Investigation Fee (Statement of Charges) is  
4 entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223, and  
5 RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative  
6 Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE  
7 OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this  
8 Statement of Charges.

9  
10 Dated this 6<sup>th</sup> day of September, 2011



11 [Redacted Signature]

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

16 Presented by:

16 [Redacted Signature]

17 ROBERT E. JONES  
18 Financial Legal Examiner

19 Approved by:

20 [Redacted Signature]

21 JAMES R. BRUSSELBACK  
22 Enforcement Chief