

FINAL ORDER SUMMARY – Case Number: C-09-369

Name(s) White Mountain Mortgage, Inc.
Philip Lane Kinzler

Order Number C-09-369-10-FO01

Effective Date November 17, 2010

License Number DFI: 510-MB-23462 NMLS ID: 101513 (White Mountain)
DFI: 510-LO-23581 NMLS ID: 102035 (Kinzler)

License Effect Revoked

Not Apply until N/A

Prohibition/Ban until N/A

Investigation Costs	\$172.80	Due	Paid: Y	Date: 1/7/2014
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Assessment(s)	\$	Due	Paid Y N	Date
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Fine	\$3,000	Due	Paid: Y	Date: 1/7/2014
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Other Cease and desist engaging in the business of a mortgage broker



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:

WHITE MOUNTAIN MORTGAGE, INC.,
PHILIP LANE KINZLER, Vice President and
Designated Broker,

Respondents.

NO. C-09-369-10-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. 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 November 24, 2009, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Revoke License, Impose Fine, 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 November 25, 2009, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for White Mountain Mortgage, Inc. and Philip Lane Kinzler, Respondents. The Department served the Statement of Charges, cover letter dated November 25, 2009, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for White Mountain

1 Mortgage, Inc. and Philip Lane Kinzler on Respondents on November 25, 2009, by First-Class mail
2 and Federal Express overnight delivery.

3 On December 3, 2009, Respondents each filed an Application for Adjudicative Hearing. On
4 February 16, 2010, the Department made a request to the Office of Administrative Hearings (OAH) to
5 assign an Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of
6 Charges. On March 24, 2010, all parties attended a telephonic prehearing conference. On March 24,
7 2010, ALJ Mary Ellen Goodwin (ALJ Goodwin) issued a Prehearing Order scheduling a telephone
8 hearing on the Department's Motion for Summary Judgment on May 24, 2010, at 8:15 a.m.

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10 On May 24, 2010, all parties attended the telephone hearing on the Department's Motion for
11 Summary Judgment. On May 25, 2010, ALJ Goodwin issued an Initial Order Granting Department's
12 Motion for Summary Judgment (Initial Order). This Order –

- 13 • Found that there was no triable issue of any material fact and the Department was entitled
14 to judgment as a matter of law.
- 15 • Found that Respondents failed to maintain a valid surety bond.
- 16 • Granted the Department's Motion for Summary Judgment.
- 17 • Ordered that Respondents cease and desist from conducting the business of a mortgage
18 broker.
- 19 • Ordered that the mortgage broker license of Respondents be revoked.
- 20 • Affirmed the fine of \$3,000 assessed against Respondents.
- 21 • Affirmed the \$172.80 investigative fee against Respondents.

22 On May 25, 2010, ALJ Goodwin mailed the Initial Order to Respondents.
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1 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondents had twenty (20) days from the
2 date of service of the Initial Decision and Order to file a Petition for Review of the Initial Decision and
3 Order. Respondents did not file a Petition for Review during the statutory period.

4 B. Record Presented. The record presented to the Director for his review and for entry of
5 a final decision included the following:

- 6 1. Statement of Charges, cover letter dated November 25, 2009, and Notice of
7 Opportunity to Defend and Opportunity for Hearing, with documentation of service;
- 8 2. Application for Adjudicative Hearing for Philip Lane Kinzler;
- 9 3. Request to OAH for Assignment of Administrative Law Judge;
- 10 4. Prehearing Order dated March 24, 2010, with documentation of service; and
- 11 5. Initial Order dated May 25, 2010, with documentation of service.

12 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.461, the Director
13 hereby adopts the Initial Order, which is attached hereto.

14 II. FINAL ORDER

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

17 A. IT IS HEREBY ORDERED, That:

- 18 1. Respondents White Mountain Mortgage, Inc. and Philip Lane Kinzler cease and desist
19 from conducting the business of a mortgage broker;
- 20 2. Respondent White Mountain Mortgage, Inc.'s license to conduct the business of a
21 Mortgage Broker is revoked;
- 22 3. Respondents White Mountain Mortgage, Inc. and Philip Lane Kinzler jointly and
23 severally pay a fine of \$3,000;
- 24

1 4. Respondents White Mountain Mortgage, Inc. and Philip Lane Kinzler jointly and
2 severally pay an investigation fee of \$172.80.

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 150
6 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 date
11 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
12 notice specifying the date by which it will act on a petition.

13 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
14 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
15 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
17 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
18 for 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, the
20 Department may seek its enforcement by the Office of Attorney General to include the collection of the
21 fines and fees imposed herein.
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1 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
2 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
3 attached hereto.

4 DATED this 17th day of November, 2010.



6 STATE OF WASHINGTON
7 DEPARTMENT OF FINANCIAL INSTITUTIONS

8 [Redacted Signature]
9 SCOTT JARVIS
10 DIRECTOR

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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:

NO. C-09-369-09-SC01

WHITE MOUNTAIN MORTGAGE, INC.,
PHILIP LANE KINZLER, Vice President and
Designated Broker, and NOEL EDWARD
HANSON, President,

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO CEASE AND DESIST, REVOKE
LICENSE, IMPOSE FINE, 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)¹. 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. **White Mountain Mortgage, Inc. (White Mountain Mortgage)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on June 27, 2002, and continues to be licensed to date. Respondent White Mountain Mortgage is licensed to conduct the business of a mortgage broker at the following location:

371 Liberty Lane
Sagle, Idaho 83860

¹ RCW 19.146 (2008)

1 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2) and (3)(a) and WAC 208-660-530(6), the
2 Director may impose fines on a licensee, employee, loan originator, independent contractor, or agent of the
3 licensee, or other person subject to the Act for any violation of RCW 19.146.205(4) or any violation of the Act.

4 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520(9) and
5 WAC 208-660-550(4) upon completion of any investigation of the books and records of a licensee or other person
6 subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover
7 the cost of the investigation. The investigation charge will be calculated at the rate of forty-eight dollars (\$48) per
8 hour that each staff person devoted to 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, as set forth
11 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
12 for the entry of an Order under RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223. Therefore, it is the
13 Director's intention to ORDER that:

14 **4.1** Respondents White Mountain Mortgage, Inc., Philip Lane Kinzler, and Noel Edward Hanson cease and
desist from conducting the business of a mortgage broker;

15 **4.2** Respondent White Mountain Mortgage, Inc.'s license to conduct the business of a mortgage broker be
16 revoked;

17 **4.3** Respondents White Mountain Mortgage, Inc., Philip Lane Kinzler, and Noel Edward Hanson jointly and
severally pay a fine which as of the date of this Statement of Charges totals \$3,000; and

18 **4.4** Respondents White Mountain Mortgage, Inc., Philip Lane Kinzler, and Noel Edward Hanson jointly and
19 severally pay an investigation fee which as of the date of this Statement of Charges totals \$172.80
calculated at \$48 per hour for the three and six tenths (3.6) 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 Cease and Desist, Revoke
3 License, Impose Fine, and Collect Investigation Fee (Statement of Charges) is entered pursuant to the
4 provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to
5 the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written
6 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY
7 FOR HEARING accompanying this Statement of Charges.

8
9 Dated this 24th day of November, 2009.

10 [Redacted Signature]

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

15 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