

## Terms Completed

### ORDER SUMMARY – Case Number: C-10-099

**Name(s):** Beauchamp, Brad M and Beauchamp, James M  
Beauchamp, Gloria

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**Order Number:** C-10-099-12-FO01

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**Effective Date:** April 4, 2012

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**License Number:** DFI 25514, NMLS 118666  
DFI 25649, NMLS -143754 -Gloria Beauchamp

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**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** None

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**Not Apply Until:** NA

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**Not Eligible Until:** NA

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**Prohibition/Ban Until:** NA

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<b>Investigation Costs</b>	\$48	Due 4/4/12	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$1,500	Due 4/4/12	Paid <input checked="" 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:		NA		

**Comments:**

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State of Washington

**DEPARTMENT OF FINANCIAL INSTITUTIONS**

**BRIEF ADJUDICATIVE PROCEEDING**

IN THE MATTER OF INVESTIGATING  
Whether has been a violation of the Washington  
Mortgage Broker Practices Act (Ch. 19.146 RCW)  
by:

BEAUCHAMP, BRAD M. and BEAUCHAMP,  
JAMES M.; GLORIA BEAUCHAMP, Designated  
Broker,

Respondents.

099-12

DCS – BAP – C-10-~~009-10~~-FO

FINAL DECISION AND ORDER

THIS MATTER having come before Scott Jarvis, Director (“Director”) of the Department of Financial Institutions (“Department”), on Petition for Review of the Initial Decision and Order (“Initial Order”) in the above-referenced Brief Adjudicative Proceeding (“BAP”) for the Division of Consumer Services (“Division”), in relation to a Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (“Statement of Charges”) under the Washington Mortgage Broker Practices Act, Chapter 19.146 RCW (“Act”), against BRAD M. BEAUCHAMP, JAMES M. BEAUCHAMP, and GLORIA BEAUCHAMP, Respondents (“Respondents”); and it appearing from the Respondents’ Petition for Review that, in the Director’s exercise of his discretion, there is good and sufficient cause for entry of a final decision and order modifying the amount of fine called for in the Initial Order;

NOW THEREFORE, IT IS HEREBY ORDERED:

1. The Director affirms and incorporates herein by this reference the Findings of Fact and Conclusions of Law contained in the Initial Order, except for the following:
  - a. Finding of Fact 2.7 is modified to read, as follows:

The Director finds that notwithstanding the circumstances presented to the Presiding Officer that were the basis of the Initial Order, the candor of Respondents in their Petition for Review warrants the exercise of discretion by the Director to modify the

amount of fine deemed to be reasonable and appropriate by the Presiding Officer. The Director finds that a fine of \$1,500 is reasonable and appropriate in relation to the nature of the violation by Respondents, taking into consideration not only the amount of the loan volume of the Respondents in Washington State for the calendar year 2009 (assuming the amount of accuracy of the 2009 MBAR), but also the extenuating circumstances related in the Petition for Review of the Initial Order.”

b. Conclusion of Law 3.3 is modified to read as follows:

“A fine of \$1,500 is permitted under the Act.”

2. Based upon the Findings of Fact and Conclusions of Law as *modified* by Paragraph 1 above, the Director, as the Final Decision and Order of the Department, MODIFIES the Initial Decision and Order in this matter, as follows:

a. Respondents, BRAD M. BEAUCHAMP, JAMES M. BEAUCHAMP, and GLORIA BEAUCHAMP, shall, jointly and severally, pay a fine of ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00) to WASHINGTON STATE DEPARTMENT OF FINANCIAL INSTITUTIONS as and for untimely filing of the 2009 Mortgage Broker Annual Report; and

b. Respondents, BRAD M. BEAUCHAMP, JAMES M. BEAUCHAMP, and GLORIA BEAUCHAMP, shall, jointly and severally, pay to WASHINGTON STATE DEPARTMENT OF FINANCIAL INSTITUTIONS an investigative fee of FORTY-EIGHT DOLLARS (\$48.00).

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

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

4. STAY OF ORDER. The Director has determined not to consider a Petition to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.
5. JUDICIAL REVIEW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of chapter 34.05 RCW. [For the information regarding the requirements for filing a Petition for Judicial Review, see the Notice to Parties following the Director's signature below.]
6. NON-COMPLIANCE WITH ORDER. If you do not comply with the terms of this order, the Department may seek its enforcement by the Office of Attorney General to include the collection of the fines, fees and restitution imposed herein.
7. SERVICE. For purposes of filing a Petition for Reconsideration or a Petition for Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service attached hereto.

Dated this 4<sup>th</sup> day of April, 2012, at Tumwater, Washington.

  
SCOTT JARVIS, Director

State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

BRIEF ADJUDICATIVE PROCEEDING

IN THE MATTER OF INVESTIGATING  
Whether has been a violation of the Washington  
Mortgage Broker Practices Act (Ch. 19.146 RCW)  
by:

BEAUCHAMP, BRAD M AND BEAUCHAMP,  
JAMES M;  
GLORIA BEAUCHAMP, DESIGNATED  
BROKER,

Respondents.

DCS – BAP – C-10-099-10-IO

INITIAL DECISION AND ORDER

THIS MATTER having come before Joseph M. Vincent, General Counsel for the Department of Financial Institutions (“Department”), sitting in his capacity as Presiding Officer (“Presiding Officer”) for Brief Adjudicative Proceedings (“BAP”) for the Division of Consumer Services (“Division”), in relation to a State of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (“Statement of Charges”) under the Washington Mortgage Broker Practices Act, Chapter 19.146 RCW (“Act”), against Beauchamp, Brad M. and Beauchamp, James M. and the Designated Broker, Gloria Beauchamp, the Respondents (“Respondents”);

NOW THEREFORE, the Presiding Officer issues the following Findings of Fact, Conclusions of Law, and Initial Decision and Order:

1.0 RECORD

The Presiding Officer has considered the following material documents, which comprise the relevant record in this matter (“Record”):

- 1.1 Statement of Charges, dated April 22, 2010;
- 1.2 Request for Brief Adjudicative Proceeding (“BAP”), received by the Division on June 1, 2010;

- 1.3 Letter from James Brusselback, Enforcement Chief of the Division, dated June 2, 2010, acknowledging Request for Brief Adjudicative Proceeding, and directing assignment to BAP Hearing Officer;
- 1.4 Notice of Assignment and Time to File Additional Materials, from the BAP Hearing Officer, dated June 4, 2010;
- 1.5 2009 Mortgage Broker Annual Report dated June 1, 2010;
- 1.6 Additional materials (if any) of record that Respondents filed (or may have filed) in response to Notice of Assignment and Time to File Additional Materials; and

## 2.0 FINDINGS OF FACT

Based upon the Record, the following facts are undisputed as between the Division and the Respondents:

- 2.1 Respondents was required to file a Mortgage Broker Annual Report (“MBAR”) of mortgage activity with the Division on or before March 31<sup>st</sup> of every year following any year in which it held a mortgage broker license.
- 2.2 The 2009 MBAR was due to the Division by March 31, 2010, but the Division did not receive it timely. The 2009 MBAR was not received until June 1, 2010.
- 2.3 The Department did not issue its Statement of Charges until April 22, 2010.
- 2.4 Respondents were on notice of the importance and legal requirement of timely filing of an MBAR on or before March 31<sup>st</sup> of each year for as long as Respondents remain a licensee and designated broker, respectively.
- 2.5 The MBAR is a tool for measuring the activity of Mortgage Broker Licensees so that the Division may allocate its scarce resources in determining such matters as which Mortgage Broker Licensees ought to be examined. It is not an “annual report” in the manner, for example, of renewing one’s corporation license with the Secretary of State. Because of the MBAR’s purpose, it is essential that it be filed – and filed timely. Every licensee is on notice of this distinction by statute and by rule.
- 2.6 Based upon the untimely filed 2009 MBAR, the Respondents generated loan volume in Washington State in calendar 2009 in the amount of \$6,127,375.
- 2.7 The Presiding Officer finds that under the circumstances, a fine of \$3,000 is reasonable and appropriate in relation to the nature of the violation by Respondents,

taking into consideration the amount of loan volume of the Respondents in Washington State for the calendar year 2009 (assuming the accuracy of the 2009 MBAR).

2.8 One staff hour was devoted to this investigation.

### 3.0 CONCLUSIONS OF LAW

Based upon the Findings of Fact above, the Presiding Officer must conclude, as follows:

3.1 In its failure to timely file the 2008 MBAR, Respondents violated RCW 19.146.290(1) and WAC 208-660-400(1), (2), (3) and (4).

3.2 Pursuant to RCW 19.146.220(2)(e), the Department may impose fines on a Mortgage Broker Licensee for any violation of the Act.

3.3 A fine of \$3,000 is permitted under the Act.

3.4 Pursuant to RCW 19.146.228(2), WAC 208-660-520 and WAC 208-660-550(4), upon completion of any investigation of the books and records of a licensee, the Department will furnish to the licensee a billing to cover the cost of investigation.

3.5 The investigative charge will be calculated at the rate of \$48 per hour for each staff person of the Department devoted to the investigation.


### 4.0 INITIAL DECISION AND ORDER

Based upon the Findings of Fact and Conclusions of Law set forth above, IT IS HEREBY ORDERED THAT:

4.1 Respondents, Beauchamp, Brad M. and Beauchamp, James M. and Gloria Beauchamp, pay a fine of \$3,000 as and for untimely filing of the 2009 MBAR; and

4.2 Respondents, Beauchamp, Brad M. and Beauchamp, James M. and Gloria Beauchamp, pay in addition an investigative fee of \$48.00.

Dated and mailed on December 29, 2010, at Tumwater, Washington.



Joseph M. Vincent, Presiding Officer  
Brief Adjudicative Proceedings  
Division of Consumer Services  
WASHINGTON STATE DEPARTMENT OF  
FINANCIAL INSTITUTIONS  
P.O. Box 41200  
Olympia, Washington 98504-1200  
Phone: (360) 902-0516  
E-Fax: (360) 704-7036



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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:

BEAUCHAMP, BRAD M AND BEAUCHAMP,  
JAMES M;  
GLORIA BEAUCHAMP, DESIGNATED  
BROKER,

Respondents.

NO. C-10-099-10-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO IMPOSE FINE AND COLLECT  
INVESTIGATION FEE

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**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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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:

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**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.** Beauchamp, Brad M and Beauchamp, James M and Gloria Beauchamp, Designated Broker (Respondents) were licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker at all times relevant to the conduct alleged. At all times relevant to the Statement of Charges, Gloria Beauchamp was the Designated Broker for the company.

**1.2 Failure to File Mortgage Broker Annual Report.** By March 31, 2010, Respondents were required to file an annual report of mortgage broker activity to include the total number of closed loans originated and the total volume of closed loans originated. As of the date of this Statement of Charges Respondents have not filed the 2009 mortgage broker annual report.

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

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**II. GROUNDS FOR ENTRY OF ORDER**

**2.1 Requirement to File Mortgage Broker Annual Report.** Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.290(1), WAC 208-660-250(7) and WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

**III. AUTHORITY TO IMPOSE SANCTIONS**

**3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a licensee or other person subject to the Act for any violations of the Act.

**3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person devoted to the investigation.

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

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

- 4.1** Respondents Beauchamp, Brad M and Beauchamp, James M and Gloria Beauchamp jointly and severally pay a fine of \$100 per day for every day starting April 1, 2010, until the 2009 Mortgage Broker Annual Report is filed; and
- 4.2** Respondents Beauchamp, Brad M and Beauchamp, James M and Gloria Beauchamp jointly and severally pay an investigation fee, which as of the date of these charges is \$48 calculated at \$48 per hour for one staff hour devoted to the investigation; and
- 4.3** Respondents Beauchamp, Brad M and Beachamp, James M and Gloria Beauchamp file the 2009 annual report of mortgage broker activity.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine 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). Respondents may make a written request for a Brief Adjudicative  
6 Proceeding as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR BRIEF  
7 ADJUDICATIVE PROCEEDING accompanying this Statement of Charges.

8 Dated this 22<sup>nd</sup> day of April, 2010.



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

17 Presented by:



18 **FATIMA BATIE**  
19 Financial Legal Examiner Supervisor

20 Approved by:



21 **JAMES R. BRUSSELBACK**  
22 Enforcement Chief