

RECEIVED

AUG 12 2011

DEPT. OF FINANCIAL INSTITUTIONS
OLYMPIA, WASHINGTON

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-10-295-11-CO01

TRANSTAR NATIONAL TITLE,

CONSENT ORDER

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and TranStar National Title. (Respondent), 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 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 Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-10-295-10-SC01 (Statement of Charges), entered October 19, 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, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees 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 Order to fully resolve the Statement of Charges.

Based upon the foregoing:

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

CONSENT ORDER
C-10-295-11-CO01
TranStar National Title

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing
2 before an administrative law judge, and hereby waives its right to a hearing and any and all administrative and
3 judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent,
4 by the signature of its representative below, withdraws its appeal to the Office of Administrative Hearings.

5 **C. Stipulation of Facts.** It is AGREED that Respondent stipulates to the facts as outlined in the Factual
6 Allegations in Section I of the Statement of Charges C-10-295-10-SC01, which is incorporated herein by
7 reference.

8 **D. Application for License.** It is AGREED that nothing in this Consent Order, or the facts giving rise
9 to, or underlying the Statement of Charges, will be considered by the Department in the assessment of an
10 application by Respondent for an escrow agent license under the Act in the event Respondent pursues such an
11 application. It is further AGREED that, should Respondent pursue such an application, Respondent must meet
12 any and all application requirements in effect at that time.

13 **E. Fine.** It is AGREED that Respondent, on or before October 31, 2011, shall pay to the Department a
14 total fine of \$64,500 in the form of a cashier's check made payable to the "Washington State Treasurer," prior to
15 entry of this Consent Order.

16 **F. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an investigation fee
17 of \$500, in the form of a cashier's check made payable to the "Washington State Treasurer," prior to entry of this
18 Consent Order. The Fine and Investigation Fee will be paid together in one cashier's check totaling \$65,000 made
19 payable to the "Washington State Treasurer."

20 **G. Agreement to Cease and Desist.** Respondent AFFIRMS that it has not conducted any Washington
21 escrow transactions since signing the Declaration and Agreement to Cease & Desist Order in July 2010.

22 **H. Records Retention.** It is AGREED that Respondent, its officers, employees, and agents shall
23 maintain all records involving Washington escrow transactions for a minimum of six years from completion of the
24 escrow transactions. It is further AGREED that Respondent shall provide the Department with the location of
25

1 such records and the name, address, and telephone number of the individual responsible for the maintenance of
2 such records.

3 **I. Authority to Execute Order.** It is AGREED that the undersigned has represented and warranted
4 that he has the full power and right to execute this Consent Order on behalf of the party represented.

5 **J. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide
6 by the terms and conditions of this Consent Order may result in further legal action by the Director. In the
7 event the Department is the prevailing party in such legal action, Respondent may be responsible to reimburse
8 the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

9 **K. Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this Consent
10 Order, which is effective when signed by the Director's designee.

11 **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Consent
12 Order in its entirety and fully understands and agrees to all of the same.

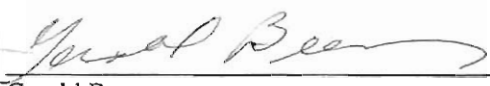
13 //
14 //
15 //
16 //
17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //
25 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

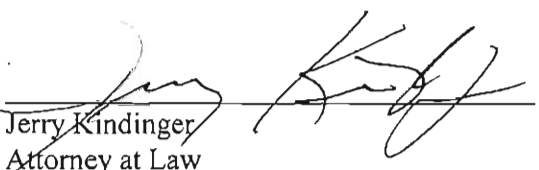
RESPONDENT:

TranStar National Title

By:


Gerald Beeny
President

June 22, 2011
Date

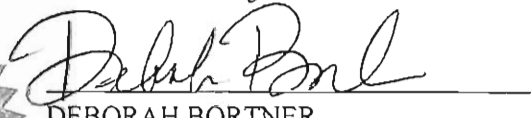

Jerry Kindinger
Attorney at Law
Attorney for Respondent

June 26, 2011
Date


DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 18th DAY OF August, 2011.




DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


DEBORAH TAEILLIOUS
Financial Legal Examiner

Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief

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 Escrow Agent Registration Act of Washington by:

7 TRANSTAR NATIONAL TITLE,

8 Respondent.

NO. C-10-295-10-SC01

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

9 INTRODUCTION

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

15 I. FACTUAL ALLEGATIONS

16 1.1 **Respondent Transtar National Title (Respondent)** is headquartered at 2201 W. Plano Pkwy STE 152
17 Plano, Texas 75075. Respondent has never been licensed by the Department of Financial Institutions of the
18 State of Washington (Department) to conduct business as an escrow agent in the State of Washington.

19 Respondent is not registered, as a title company, with the Washington State Office of the Insurance
20 Commissioner.

21 1.2 **Unlicensed Activity.** Between at least January 1, 2009, and July 15, 2010, Respondent performed escrow
22 functions in at least 440 Washington residential mortgage loan transactions. Respondent received in excess of
23 \$180,000 as "fees" for those loans. On July 29, 2010, Respondent provided the Department with an Agreement to
24 Cease and Desist from providing escrow services in the State of Washington until such time as Respondent obtains
25 a license from the Department or meets an exclusion from licensing as delineated in the Act.

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

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

2 **2.1 Definition of Escrow.** Pursuant to RCW 18.44.011(4), "Escrow" means any transaction wherein any
3 person or persons, for the purpose of effecting and closing the sale, purchase, exchange, transfer, encumbrance,
4 or lease of real or personal property to another person or persons, delivers any written instrument, money,
5 evidence of title to real or personal property, or other thing of value to a third person to be held by such third
6 person until the happening of a specified event or the performance of a prescribed condition or conditions, when
7 it is then to be delivered by such third person, in compliance with instructions under which he or she is to act, to
8 a grantee, grantor, promisee, promisor, obligee, obligor, lessee, lessor, bailee, bailor, or any agent or employee
9 thereof.

10 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(6) "Escrow Agent" means any person engaged
11 in the business of performing for compensation the duties of the third person referred to in RCW 18.44.011(4).

12 **2.3 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section I
13 above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as an escrow agent by
14 performing escrows or any of the functions of an escrow agent within the State of Washington or with respect to
15 transactions that involve personal property or real property located in the State of Washington without first
16 obtaining a license.

17 **2.4 Requirement to Maintain Records in the State of Washington.** Based on the Factual Allegations set
18 forth in Section 1 above, Respondent is in apparent violation of RCW 18.44.400 and WAC 208-680D-030 for
19 failing to maintain transaction records in the State of Washington for a period of six years from completion of the
20 transaction.

21 **III. AUTHORITY TO IMPOSE SANCTIONS**

22 **3.1 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in addition to
23 or in lieu of license denial the Director may impose a fine of up to \$100 per day for each day's violation of the Act.
24
25

1 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680G-050, the
2 expense of an investigation pursuant to WAC 208-680G-020 shall be borne by the entity which is the subject of the
3 investigation.

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

5 Respondent's 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 18.44.400,
7 RCW 18.44.410, RCW 18.44.430, RCW 18.44.440, 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 officers.
9 Therefore, it is the Director's intention to ORDER that:

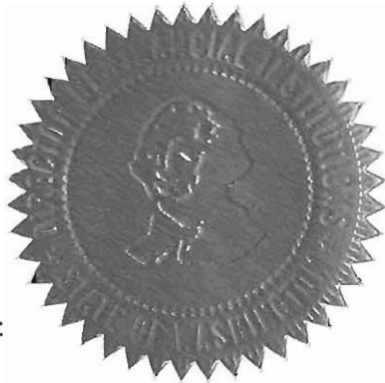
- 10 **4.1** Respondent Transtar National Title pay a fine which as of the date of these charges totals \$88,000.
11 **4.2** Respondent Transtar National Title pay an investigation fee which as of the date of this Statement of
12 charges totals \$375.
13 **4.3** Respondent Transtar National Title, its officers, employees, and agents maintain all records involving
14 Washington State escrow transactions within the State of Washington for a period of six years from
completion of the escrow transactions.

15 //
16 //
17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //
25 //

V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine, Collect Investigation Fee, and Maintain Records (Statement of Charges) is entered pursuant to the provisions of RCW 18.44.410, RCW 18.44.430, and RCW 18.44.440, and is subject to the provisions of chapter 34.05 RCW. Respondent 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 9th day of October, 2010.



Deborah Bortner
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

William Halstead
WILLIAM HALSTEAD
Financial Legal Examiner

Approved by:

James R. Brusselback
JAMES R. BRUSSELBACK
Enforcement Chief