

## Terms Completed

### ORDER SUMMARY – Case Number: C-17-2182

**Name(s):** Dovenmuehle Mortgage, Inc.  
 \_\_\_\_\_  
 \_\_\_\_\_

**Order Number:** C-17-2182-17-CO01  
 \_\_\_\_\_

**Effective Date:** 12/04/17  
 \_\_\_\_\_

**License Number:** NMLS #2841  
**Or NMLS Identifier [U/L]** \_\_\_\_\_

**License Effect:** none  
 \_\_\_\_\_  
 \_\_\_\_\_

**Not Apply Until:** n/a  
 \_\_\_\_\_

**Not Eligible Until:** n/a  
 \_\_\_\_\_

**Prohibition/Ban Until:** n/a  
 \_\_\_\_\_

<b>Investigation Costs</b>	\$1,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 12/01/17
<b>Fine</b>	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Financial Literacy</b>	\$150,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 12/01/17
<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:** \_\_\_\_\_  
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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  
Consumer Loan Act of Washington by:

No.: C-17-2182-17-CO01

CONSENT ORDER

DOVENMUEHLE MORTGAGE, INC.,  
NMLS #2841,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and Dovenmuehle Mortgage, Inc. (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 Revised Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**FINDINGS OF FACT**

**1.1** On or about August 31, 2012, Respondent obtained a license from the Department of Financial Institutions of the State of Washington (Department) to conduct the business of a consumer loan company from its main office in Lake Zurich, Illinois. Respondent was not licensed to conduct business from any other locations.

**1.2** From at least April 19, 2012, through October 15, 2016, Respondent conducted business meeting the definition of “servicing” under the Act for Washington residential mortgage loans from an unlicensed location in Elgin, Illinois.

1 **1.3** From at least October 1, 2014, through October 15, 2016, Respondent conducted business  
2 meeting the definition of “servicing” under the Act for Washington residential mortgage loans from  
3 an unlicensed location in North Aurora, Illinois.

4 **1.4** On or about September 22, 2016, Respondent submitted applications to the Department to  
5 engage in the business of a consumer loan company under the Act from the Elgin and North Aurora  
6 branch locations, and the applications were approved October 18, 2016.

7 **1.5** From September 26, 2016, to October 7, 2016, the Department participated in a multi-state  
8 examination of Respondent’s books and records. The Department’s examiners noted violations of  
9 the Act that included servicing Washington residential mortgage loans from Respondent’s branch  
10 locations in Elgin, Illinois, and North Aurora, Illinois, prior to obtaining branch licenses.

11 **CONCLUSIONS OF LAW**

12 **2.1** Based on the above Findings of Fact, Respondent violated RCW 31.04.035 and RCW  
13 31.04.075 by engaging in the business of a consumer loan company in the state of Washington  
14 without first obtaining and maintaining branch licenses in accordance with the Act.

15 **AGREEMENT AND ORDER**

16 The Department and Respondent have agreed upon a basis for resolution of the Findings of  
17 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and  
18 RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further  
19 agree that the matters alleged herein may be economically and efficiently settled by the entry of this  
20 Consent Order.

21 Based upon the foregoing:

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

1 **B. Waiver of Hearing.** It is AGREED that Respondent hereby waives any right it has to a hearing  
2 and any and all administrative and judicial review of the issues raised in this matter or the resolution  
3 reached herein.

4 **C. No Admission of Liability.** It is AGREED that this Consent Order represents a compromise  
5 and is for settlement purposes only. Respondent neither admits nor denies any wrong doing by entry  
6 of this Consent Order.

7 **D. Consumer Loan License Required.** It is AGREED that Respondent understands that in  
8 order to service residential mortgage loans secured by real property located in the state of  
9 Washington, it must obtain a license for all locations performing such services. It is further  
10 AGREED that Respondent will not conduct any business requiring licensure under the Act from any  
11 unlicensed location.

12 **E. Financial Literacy Payment.** Pursuant to RCW 31.04.093(7), the Director may accept  
13 payments to the Department for purposes of financial literacy and education programs authorized  
14 under RCW 43.320.150. Accordingly, in further compromise and in consideration of the additional  
15 terms set forth herein, it is AGREED that upon entry of this Consent Order Respondent shall pay  
16 \$150,000 to the Department for purposes of financial literacy and education programs. It is further  
17 AGREED that Respondent shall not advertise the Financial Literacy Payment.

18 **F. Investigation Fee.** It is AGREED that Respondent shall pay an investigation fee to the  
19 Department in the amount of \$1,000.00. Respondent understands and AGREES that this  
20 Investigation Fee is separate and distinct from any Examination Fee that may be assessed for the  
21 multi-state examination. The Financial Literacy Payment and Investigation Fee shall be paid in the  
22 form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this  
23 Consent Order.

1 **G. Multistate Examination.** The parties acknowledge that Respondent has recently been  
2 subjected to a multi-state examination of which the Department was a participant but for which a  
3 Report of Examination may not have yet been issued. It is AGREED that Respondent has been  
4 apprised of any violations specifically related to Washington and has either resolved the violations or  
5 taken appropriate steps toward resolving those violations to ensure that similar violations of the Act  
6 do not take place. Respondent understands that the Department may review those actions at the time  
7 of Respondent's next Washington examination. It is further AGREED that this Consent Order shall  
8 resolve only those violation from the multi-state examination related to Washington residential  
9 mortgage loans and shall not preclude any other government entity participating in said multi-state  
10 examination from addressing findings under its authority.

11 **H. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to  
12 abide by the terms and conditions of this Consent Order may result in further legal action by the  
13 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director  
14 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

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

17 **J. Completely Read, Understood, and Agreed.** It is AGREED that Respondent's  
18 representative has read this Consent Order in its entirety and fully understands and agrees to all of the  
19 same.

20 **K. Authority to Execute Order.** It is AGREED that the undersigned authorized representative  
21 has represented and warranted that he has the full power and right to execute this Consent Order on  
22 behalf of Respondent.

23 //

1 **RESPONDENT:**

Dovenmuehle Mortgage, Inc.

2 By:

3 /s/  
4 Glen Braun  
Senior Vice President and Chief Financial Officer

11-17-17  
Date

6  
7 **DO NOT WRITE BELOW THIS LINE**

8 THIS ORDER ENTERED THIS 4<sup>th</sup> DAY OF December, 2017.

9 /s/  
10 CHARLES E. CLARK  
11 Director  
12 Division of Consumer Services  
Department of Financial Institutions

13 Presented by:

14  
15 /s/  
16 STEVEN C. SHERMAN  
Enforcement Chief