

**ORDER SUMMARY – Case Number: C-19-2661**

**Name(s) and NMLS**

**Identifier(s)::**

MANN MORTGAGE, LLC, NMLS No. 2550  
DON A. MANN, NMLS No. 5351  
JASON MANN, NMLS No. 5354  
BRODY JOHN O'CONNOR, NMLS No. 175788

**Order Number:**

C-19-2661-20-CO01

**Effective Date:**

6/2/20

**License Effect:**

N/A

**Not Apply Until:**

N/A

**Not Eligible Until:**

N/A

**Prohibition/Ban Until:**

N/A

<b>Investigation Costs</b>	\$40,986.49		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 6/2/20
<b>Fine</b>	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Financial Literacy and Education</b>	\$40,000.00	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 6/2/20
<b>Cost of Prosecution</b>	\$N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:	N/A		

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  
Whether there has been a violation of the  
Consumer Loan Act of Washington by:

No.: C-19-2661-20-CO01

CONSENT ORDER

5 MANN MORTGAGE, LLC,  
6 NMLS No. 2550,  
DON A. MANN, President,  
7 NMLS No. 5351,  
JASON MANN, Chief Executive Officer,  
8 NMLS No. 5354,  
BRODY JOHN O'CONNOR, Branch Manager,  
9 NMLS No. 175788,

10 Respondents.

11 COMES NOW the Director of the Department of Financial Institutions (Director), through his  
12 designee Lucinda Fazio, Division of Consumer Services Director, and Mann Mortgage, LLC; Don A.  
13 Mann, President; Jason F. Mann, Chief Executive Officer; and Brody John O'Connor, Branch  
14 Manager (collectively Respondents) and finding that the issues raised in the above-captioned matter  
15 may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent  
16 Order is entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW  
17 34.05.060 of the Administrative Procedure Act, based upon the following:

18 **AGREEMENT AND ORDER**

19 The Department of Financial Institutions, Division of Consumer Services (Department) and  
20 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges  
21 No. C-19-2661-20-SC01 (Statement of Charges), entered January 27, 2020, (copy attached hereto).  
22 Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW 34.05.060 of the  
23 Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent

1 Order and further agree that the issues raised in the above-captioned matter may be economically and  
2 efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully  
3 resolve the Statement of Charges.

4 Based upon the foregoing:

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

7 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a  
8 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all  
9 administrative and judicial review of the issues raised in this matter, or of the resolution reached  
10 herein. Accordingly, Respondents, by their signatures and the signatures of their representatives  
11 below, withdraw their appeal to the Office of Administrative Hearings.

12 C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the  
13 Statement of Charges and agree that Respondents neither admit nor deny any wrongdoing by its  
14 entry.

15 D. **Cease and Desist.** It is AGREED that Respondents shall cease and desist from:

- 16 1. Allowing any records to be maintained outside the corporate record retention system.
- 17 2. Disclosing consumers' personal identifiable information.
- 18 3. Allowing mortgage loan originators to conduct business from unlicensed locations.

19 E. **Affirmative Action.** It is AGREED that Respondents shall take the following affirmative  
20 action:

- 21 1. Conduct an on-site internal audit of each Washington branch within 180 days of entry  
22 of this Consent Order, or if travel or work limitations make the 180-day timeframe  
23 unfeasible, within a timeframe agreed upon in writing by the parties.
- 24 2. Develop and implement an internal policy regarding supervising all branch location  
staff, including a policy for maintaining oversight over all computer software used by  
all branches in Washington.
3. Maintain records for all Washington branches in the corporate record retention system.

1           4. Maintain access to all computer software systems used by all Washington branches  
2           that store Washington consumer information.

3           **F. Financial Literacy Payment.** It is AGREED that, in lieu of a fine and pursuant to RCW  
4 31.04.093(7), Respondents shall pay \$40,000.00 to the Department for purposes of financial literacy  
5 and education. It is further AGREED that Respondents shall not advertise or publicize the Financial  
6 Literacy Payment.

7           **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an  
8 investigation fee of \$40,986.49. It is further AGREED that the Financial Literacy Payment and  
9 Investigation Fee shall be paid together in one \$80,986.49 cashier's check made payable to the  
10 "Washington State Treasurer," upon delivery of this Consent Order to the Department, properly  
11 signed and dated.

12           **H. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
13 warranted that they have the full power and right to execute this Consent Order on behalf of the  
14 parties represented.

15           **I. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to  
16 abide by the terms and conditions of this Consent Order may result in further legal action by the  
17 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director  
18 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

19           **J. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this  
20 Consent Order, which is effective when signed by the Director's designee.

21           **K. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read  
22 this Consent Order in its entirety and fully understand and agree to all of the same.

1 L. **Counterparts.** This Consent Order may be executed in any number of counterparts,  
2 including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed to be an  
3 original, but all of which, taken together, shall constitute one and the same Consent Order.  
4

5 **RESPONDENTS:**

6 Mann Mortgage, LLC

7 By:

8 /s/\_\_\_\_\_

9 Don A. Mann  
10 President

5-27-2020\_\_\_\_\_

Date

11 /s/\_\_\_\_\_

12 Jason Mann  
13 Chief Executive Officer

5-27-2020\_\_\_\_\_

Date

14 /s/\_\_\_\_\_

15 Don A. Mann  
16 Individually

5-27-2020\_\_\_\_\_

Date

17 /s/\_\_\_\_\_

18 Jason Mann  
19 Individually

5-27-2020\_\_\_\_\_

Date

20 /s/\_\_\_\_\_

21 Brody John O'Connor  
22 Individually

5-26-2020\_\_\_\_\_

Date

1 Approved for Entry:

2  
3 /s/  
4 Haydn J. Richards, Jr.  
Bradley Arant Boult Cummings LLP  
Attorneys for Respondents

May 26, 2020  
Date

5  
6 **DO NOT WRITE BELOW THIS LINE**

7 THIS ORDER ENTERED THIS 2nd DAY OF June, 2020.

8  
9 /s/  
10 LUCINDA FAZIO  
11 Director  
12 Division of Consumer Services Department  
13 of Financial Institutions

14  
15 Presented by:

16 /s/  
17 AMANDA J. HERNDON  
18 Financial Legal Examiner

19 /s/  
20 KENDALL H. FREED  
Financial Legal Examiner

21 Approved by:

22 /s/  
23 STEVEN C. SHERMAN  
Enforcement Chief

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

4 IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Consumer Loan Act of Washington by:

5 MANN MORTGAGE, LLC,  
6 NMLS No. 2250,  
DON A. MANN, President,  
7 NMLS No. 3531,  
JASON MANN, Chief Executive Officer,  
8 NMLS No. 5354,  
BRODY JOHN O'CONNOR, Branch Manager,  
9 NMLS No. 175788,

10 Respondents.

No. C-19-2661-20-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO ENTER AN  
ORDER TO CEASE AND DESIST, TAKE  
AFFIRMATIVE ACTION, IMPOSE FINE,  
COLLECT EXAMINATION and  
INVESTIGATION FEES, and RECOVER  
COSTS AND EXPENSES

11 **INTRODUCTION**

12 Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial  
13 Institutions of the State of Washington (Director) is responsible for the administration of chapter  
14 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation and  
15 examination pursuant to RCW 31.04.145, and based upon the facts available as of the date of this  
16 Statement of Charges, the Director, through his designee, Lucinda Fazio, Division Director, Division  
17 of Consumer Services, institutes this proceeding and finds as follows:

18 **I. FACTUAL ALLEGATIONS**

19 **1.1 Respondents.**

20 **A. Mann Mortgage, LLC (Mann Mortgage)** has been licensed as a consumer loan  
21 company by the Department of Financial Institutions, Division of Consumer Services (Department),  
22 since approximately July 1, 2008. Mann Mortgage's main office has, at all relevant times, been  
23 located in Kalispell, Montana (Main Office). Mann Mortgage's Compliance Department and

24 Information Technology (IT) Department are located at the Main Office. Mann Mortgage conducts

1 business from the Main Office as well as from branch locations. Mann Mortgage has a branch  
2 currently located at 3633 136th Place SE, Suite 210 in Bellevue, Washington (Bellevue Branch). The  
3 Bellevue Branch has been licensed by the Department since approximately May 26, 2016.  
4 Compliance and IT functions for the Bellevue Branch are performed remotely at the Main Office.

5 **B. Don A. Mann (D. Mann)** has been the President of Mann Mortgage since  
6 approximately January 1989. Respondent D. Mann is also the Chair of Mann Mortgage's Board of  
7 Directors and owns 100% of Mann Financial, Inc., which owns 100% of Mann Mortgage.

8 **C. Jason Mann (J. Mann)** has been the Chief Executive Officer of Mann Mortgage  
9 since approximately January of 2013 and is the only other member of Mann Mortgage's Board of  
10 Directors. Respondent J. Mann oversees and manages all branch offices of Mann Mortgage.

11 **D. Brody John O'Connor (O'Connor)** has been the Branch Manager of the Bellevue  
12 Branch since approximately May 26, 2016. Respondent O'Connor has had an individual Washington  
13 Mortgage Loan Originator License since approximately March 21, 2016.

14 **1.2 2016 Examination.** The Department conducted a full scope compliance examination of  
15 Mann Mortgage in 2016. The Department issued Report of Examination on or about September 30,  
16 2016, identifying multiple violations of the Act. Mann Mortgage provided a response to that report,  
17 dated February 21, 2017, informing the Department that Mann Mortgage would correct the  
18 violations.

19 **1.3 2019 Examination.** The Department conducted simultaneous on-site limited scope  
20 examinations at the Main Office and the Bellevue Branch from May 20, 2019, through May 23, 2019.  
21 The scope of the examination included the period of May 26, 2016, through May 17, 2019. The  
22 Department reviewed 41 funded loan files and 20 non-funded loan files and noted violations of the  
23 Act, which include those set forth below. At least three of the violations of the Act noted below are  
24 repeat violations also noted on the 2016 Report of Examination.



1 **1.4 Failed to Monitor the Bellevue Branch’s Software Use.**

2 A. From approximately August 3, 2016, to at least May 23, 2019, the Bellevue Branch  
3 used computer software called Salesforce as part of its consumer loan company business. The  
4 Bellevue Branch stored information in Salesforce, including Washington consumers’ personal  
5 identifiable information (PII) and information related to loan files. Some of this information was  
6 stored only in Salesforce and was not stored in Mann Mortgage’s corporate records retention system.

7 B. From at least August 3, 2016, to approximately May 21, 2019, Mann Mortgage knew  
8 that the Bellevue Branch was using Salesforce, but the Main Office, including employees in the  
9 Compliance Department and IT Department, did not have direct access to the information stored  
10 inside the Bellevue Branch’s Salesforce account. The Main Office did not obtain access to  
11 information in Salesforce until the Department’s May 2019 examination.

12 C. From approximately January 22, 2018, to at least May 23, 2019, the Bellevue Branch  
13 used computer software called Quip for communication and collaborative editing of documents  
14 related to Washington borrowers’ loan files. The Quip software stored Washington borrower  
15 information outside the Mann corporate record retention system, and the Main Office did not have  
16 access that information.

17 D. Respondents Mann Mortgage, D. Mann, and J. Mann, failed to monitor the Bellevue  
18 Branch’s software use and the Washington borrower information that was stored in these accounts.

19 E. Respondent O’Connor knew that the Main Office did not have access to the  
20 information in Salesforce and Quip.

21 **1.5 False Statement to the Department.** At all times relevant to this matter, Respondents Mann  
22 Mortgage, D. Mann, and J. Mann reported to the Department that all books and records for the  
23 Bellevue Branch were kept at the Main Office location and that the records custodian for the  
24 Bellevue Branch was an employee at the Main Office.

1 **1.6 Failed to Protect Consumers' Personally Identifiable Information (PII).** During the 2019  
2 examination, consumer PII was displayed on television monitors in the Bellevue Branch office using  
3 computer software called Spinify. The displayed PII included the consumers' names, loan numbers,  
4 and property addresses at various benchmarks in the loan process, such as when consumers' credit  
5 was approved, when they were pre-approved, and when their loan closed. The displays were located  
6 throughout the branch, including conference rooms and other areas accessible to visitors who were  
7 not employees of Mann. Respondents Mann Mortgage, D. Mann, and J. Mann failed to protect  
8 consumer's PII. Respondent O'Connor knew that consumer PII was displayed on the television  
9 monitors in the Bellevue Branch.

10 **1.7 Unlicensed Locations.** At least four Bellevue Branch mortgage loan originators conducted  
11 the activities of a mortgage loan originator from unlicensed locations between May 26, 2016, and  
12 May 17, 2019. Respondents Mann Mortgage, D. Mann, and J. Mann are responsible for the conduct  
13 of these four mortgage loan originators. Respondent O'Connor knew that at least four of the  
14 mortgage loan originators at the Bellevue Branch conducted the activities of a mortgage loan  
15 originator from unlicensed locations.

16 **1.8 Failed to Accurately Complete Residential Mortgage Loan Applications.** In at least eight  
17 of the funded loan files reviewed, Respondents Mann Mortgage, D. Mann, and J. Mann, failed to  
18 accurately complete the residential mortgage loan application. This is a repeat violation from the  
19 2016 Examination, of which Mann Mortgage was previously notified.

20 **1.9 Failed to Provide Complete and Accurate Rate Lock Agreements.** In at least twenty of  
21 the funded loan files and six of the non-funded loan files, Respondents Mann Mortgage, D. Mann,  
22 and J. Mann prepared and presented borrowers incomplete rate lock agreements. In some instances,  
23 rate lock agreements failed to disclose whether the rate was guaranteed. In other instances, the rate

1 lock agreement failed to identify the date the rate was locked. This is a repeat violation from the  
2 2016 Examination, of which Mann Mortgage was previously notified.

3 **1.10 Improper Use of a Trade Name.** On or about March 5, 2019, Respondents Mann Mortgage,  
4 D. Mann, and J. Mann transacted business using the trade name of Homeseed on at least one  
5 document sent to a Washington consumer without also using either the main office license name  
6 (Mann Mortgage), or the NMLS license number as required.

7 **1.11 Failed to Conduct Business Using a Registered Trade Name.** In at least five instances,  
8 Respondents Mann Mortgage, D. Mann, and J. Mann conducted the business of a consumer loan  
9 company using an unregistered trade name of Homeseed Loans, instead of using the registered trade  
10 name, Homeseed.

11 **1.12 Failed to Provide Accurate Closing Disclosures.** In at least five of the funded loan files  
12 reviewed, Respondents Mann Mortgage, D. Mann, and J. Mann failed to provide accurate Closing  
13 Disclosures to borrowers. This is a repeat violation from the 2016 Examination, of which Mann  
14 Mortgage was previously notified.

15 **1.13 Failed to Accurately Complete Notices of Action Taken.** In at least five of the non-funded  
16 loan files reviewed, Respondents Mann Mortgage, D. Mann, and J. Mann failed to accurately  
17 complete notices of action taken.

18 **1.14 On-Going Investigation.** The Department's investigation into the alleged violations of the  
19 Act by Respondents continues to date.

## 20 **II. GROUNDS FOR ENTRY OF ORDER**

21 **2.1 Responsibility for Conduct of Employees.** Pursuant to RCW 31.04.027(1)(b), RCW  
22 31.04.165, and WAC 208-620-372, a consumer loan company is responsible for any conduct  
23 violating the act or these rules by any person employed, or engaged as an independent contractor, to  
24 work in the business covered by your license.

1 **2.2 Unfair or Deceptive Practice – Failed to Monitor Bellevue Branch.** Based on the Factual  
2 Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, J. Mann are in  
3 apparent violation of RCW 31.04.027(1)(b) for directly or indirectly engaging in any unfair or  
4 deceptive practice towards any person and for failing to adequately monitor and supervise the  
5 Bellevue Branch for compliance with the Act.

6 **2.3 False Statement to the Department.** Based on the Factual Allegations set forth in Section I  
7 above, Respondents Mann Mortgage, D. Mann, and J. Mann are in apparent violation of RCW  
8 31.04.027(1)(h) and WAC 208-620-550(6) for negligently making a false statement or knowingly  
9 and willfully making any omission of material fact in connection with any reports filed with the  
10 Department by a licensee or in connection with any investigation conducted by the Department.

11 **2.4 Unfair or Deceptive Practice – Disclosure of Consumer PII.** Based on the Factual  
12 Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, J. Mann, and  
13 O'Connor are in apparent violation of RCW 31.04.027(1)(b) and RCW 31.04.027(1)(m) for directly  
14 or indirectly engaging in any unfair or deceptive practice toward any person and for disclosing  
15 nonpublic personal information about consumers to nonaffiliated third parties without notifying the  
16 consumers of the disclosure, notifying them of their right to opt out, and giving them a reasonable  
17 opportunity to opt out as required by 12 C.F.R. § 1016.10(a)(1).

18 **2.5 Requirement for Mortgage Loan Originators to Work from Licensed Locations.** Based  
19 on the Factual Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J.  
20 Mann are in apparent violation of RCW 31.04.027(1)(n) for making or originating loans from any  
21 unlicensed location, and WAC 208-620-700 for having Mortgage Loan Originators work from  
22 unlicensed locations.

23 **2.6 Requirement to Complete all Residential Mortgage Loan Applications.** Based on the  
24 Factual Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J. Mann

1 are in apparent violation of RCW 31.04.027(1)(b) for directly or indirectly engaging in any unfair or  
2 deceptive practice towards any person, and WAC 208-620-550(18) for failing to indicate on all  
3 residential mortgage loan applications, initial and revised, the date the application was taken or  
4 revised.

5 **2.7 Requirement to Provide Complete Rate Lock Agreements.** Based on the Factual  
6 Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J. Mann are in  
7 apparent violation of RCW 31.04.027(1)(b) for directly or indirectly engaging in any unfair or  
8 deceptive practice towards any person, and WAC 208-620-510(3)(b)(ii) and (c) for failing disclose  
9 whether the rate was guaranteed, and failing to identify the date the rate was locked.

10 **2.8 Requirement to Provide Additional Information when Using a Trade Name.** Based on  
11 the Factual Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J.  
12 Mann are in apparent violation of RCW 31.04.027(1)(b) for directly or indirectly engaging in any  
13 unfair or deceptive practice towards any person, and WAC 208-620-420(3), for transacting business  
14 using a trade name other than the licensee's name without also using the main office license number  
15 or main office name as entered in NMLS with the trade name.

16 **2.9 Requirement to Conduct Business Using Only the Licensee's Business Name or a**  
17 **Registered Trade Name.** Based on the Factual Allegations set forth in Section I above, Respondents  
18 Mann Mortgage, D. Mann, and J. Mann are in apparent violation of RCW 31.04.027(1)(b) for  
19 directly or indirectly engaging in any unfair or deceptive practice towards any person, and WAC 208-  
20 620-420(2) for conducting business using an unregistered trade name.

21 **2.10 Requirement to Accurately Complete Closing Disclosures.** Based on the Factual  
22 Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J. Mann are in  
23 apparent violation of RCW 31.04.027(1)(b) and (m) for failing to adhere to the Closing Disclosure  
24 requirements of Regulation Z, 12 C.F.R. §1026.

1 **2.11 Requirement to Provide Accurate and Complete Notices of Action Taken.** Based on the  
2 Factual Allegations set forth in Section I above, Respondents Mann Mortgage, D. Mann, and J. Mann  
3 are in apparent violation of RCW 31.04.027(1)(b) and (m) for failing to adhere to the notice  
4 requirements of Regulation B, 12 C.F.R. §1002.

5 **2.12 Aiding and Abetting in Violations of the Act.** Based on the Factual Allegations set forth in  
6 Section I above, Respondent O'Connor is in apparent violation of RCW 31.04.175 for knowingly  
7 aiding and abetting the violations alleged in paragraphs 1.4, 1.6, and 1.7 above.

### 8 III. AUTHORITY TO IMPOSE SANCTIONS

9 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a) and  
10 RCW 31.04.165, the Director may issue orders directing a licensee, its employee, loan originator, or  
11 other person subject to the Act to cease and desist from conducting business in a manner that is  
12 injurious to the public or violates any provision of the Act, or that creates the reasonable likelihood of  
13 a violation of the Act.

14 **3.2 Authority to Order Affirmative Action.** Pursuant to RCW 31.04.093(5)(b), the Director  
15 may issue an order directing a licensee, its employee, loan originator, or other person subject to the  
16 Act to take such affirmative action as is necessary to comply with the Act.

17 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of  
18 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or  
19 any other person subject to the Act for any violation of the Act or failure to comply with any order or  
20 subpoena issued by the Director under the Act.

21 **3.4 Authority to Charge Examination and Investigation Fees.** Pursuant to RCW 31.04.145(3)  
22 and WAC 208-620-590, WAC 208-620-610(7), every licensee examined or investigated by the  
23 Director or the Director's designee shall pay for the cost of the examination or investigation,

1 calculated at the rate of \$69.01 per staff hour devoted to the examination or investigation, and shall  
2 pay travel costs if the licensee maintains its records outside the state.

3 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director  
4 may recover the state's costs and expenses for prosecuting violations of the Act.

#### 5 **IV. NOTICE OF INTENT TO ENTER ORDER**

6 Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,  
7 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
8 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW  
9 34.04.202, and RCW 31.04.205. Therefore, it is the Director's intent to ORDER that:

10 **4.1** Respondents Mann Mortgage, LLC, Don A. Mann, Jason Mann, and Brody John  
11 O'Connor, cease and desist from:

- 12 A. Allowing the Bellevue Branch to maintain records outside the corporate  
record retention system.
- 13 B. Disclosing consumers' personally identifiable information.
- 14 C. Allowing mortgage loan originators to conduct business from unlicensed  
locations.

15 **4.2** Respondents Mann Mortgage, LLC, Don A. Mann, and Jason Mann, take the following  
affirmative action:

- 16 A. Conduct an on-site internal audit of the Bellevue Branch within six months  
17 of the effective date of any final order in this matter.
- 18 B. Develop and implement an internal policy regarding supervising,  
monitoring, and training, of all branch location staff, including a policy for  
19 maintaining oversight over all computer software used by all branches in  
Washington.
- 20 C. Maintain records for all Washington branches in the corporate record  
retention system.
- 21 D. Maintain access to all computer software systems used by all Washington  
branches that store Washington consumer information.

22 **4.3** Respondents Mann Mortgage, LLC, Don A. Mann, Jason Mann, and Brody John  
O'Connor, jointly and severally pay a fine. As of the date of this Statement of  
23 Charges, the fine totals \$80,000.

24 **4.4** Respondents Mann Mortgage, LLC, Don A. Mann, Jason Mann, and Brody John  
O'Connor jointly and severally pay examination and investigation fees. As of the date

1 of this Statement of Charges, the unpaid examination and investigation fees total  
2 \$40,986.49.<sup>1</sup>

3 **4.5** Respondent Mann Mortgage, LLC maintain records in compliance with the Act and  
4 provide the Department with the location of the books, records and other information  
5 relating to Respondent Mann Mortgage, LLC's consumer loan business, and the name,  
6 address and telephone number of the individual responsible for maintenance of such  
7 records in compliance with the Act.

8 **4.6** Respondents Mann Mortgage, LLC, Don A. Mann, Jason Mann, and Brody John  
9 O'Connor jointly and severally pay the Department's costs and expenses for  
10 prosecuting violations of the Act in an amount to be determined at hearing or by  
11 declaration with supporting documentation in event of default by Respondent.

## 12 **V. AUTHORITY AND PROCEDURE**

13 This Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist, Take  
14 Affirmative Action, Impose Fine, Collect Examination and Investigation Fees, and Recover Costs  
15 and Expenses of Prosecution (Statement of Charges) is entered pursuant to the provisions of RCW  
16 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of  
17 chapter 34.05 RCW (The Administrative Procedure Act). Each Respondent may make a written  
18 request for a hearing as set forth in the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE  
19 HEARING AND TO DEFEND accompanying this Statement of Charges.

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<sup>1</sup> The Department billed Respondent Mann Mortgage for \$2,395.96 which was for out of state travel costs for two of the examiners that travelled to the Main Office, and which Respondent Mann timely paid. The remaining unbilled balance is \$40,986.49.



1 Dated this 27th day of January, 2020.

2

3

/s/  
Lucinda Fazio, Director  
Division of Consumer Services  
Department of Financial Institutions

4

5

Presented by:

6

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/s/  
AMANDA J. HERNDON  
Financial Legal Examiner

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/s/  
KENDALL H. FREED  
Financial Legal Examiner

11

12

Approved by:

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/s/  
STEVEN C. SHERMAN  
Enforcement Chief

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