## Terms Completed CONSENT ORDER SUMMARY - Case Number: C-09-029

Name(s)	Integrity Closing and Escrow, LLC			
	Aloar D. Durheim			
Order Number	C-09-029-10-	-CO02		
Effective Date	August 24, 2010			
License Number	50209 (Integrity Closing)			
License Effect	Department accepts Voluntary Surrender			
Not Apply until	August 24, 2015			
Prohibition/Ban until	August 24, 2015			
Investigation Costs	\$	Due	Paid Y N	Date
Assessment(s)	\$	Due	Paid Y N	Date
Monetary Penalty	\$1,000	Due	Paid Y	Date 8/17/10
Other	Examination Fee - \$3,000 – paid 8/17/10			
Special Instructions				

1	STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS		
2	DIVISION OF CONSUMER SERVICES		
3	IN THE MATTER OF DETERMINING	NO. C-09-029-10-CO02	
4	Whether there has been a violation of the Escrow Agent Registration Act of Washington		
5	by:	CONSENT ORDER	
6	INTEGRITY CLOSING AND ESCROW, LLC, DENNIS E. CHILBERG,	INTEGRITY CLOSING AND ESCROW, LLC	
7	47.5% Owner,	and ALOAR D. DURHEIM	
8	ALOAR D. DURHEIM, 47.5% Owner, and	ALOAR D. DORHEIM	
9	DARALEE B. NEISESS, 5% Owner and Designated Escrow Officer,		
10			
11	Respondents.		
12	COMES NOW the Director of the Department of Financial Institutions (Director), through his		
12	designee Deborah Bortner, Division Director, Division of Consumer Services, and Integrity Closing and		
14	Escrow, LLC (Respondent Integrity) and Aloar D. Durheim (Respondent Durheim), and finding that the		
15	issues raised in the above-captioned matter may be economically and efficiently settled solely as they		
16	relate to Respondents Integrity and Durheim, agree to the entry of this Consent Order. This Consent		
17	Order is entered pursuant to chapter 18.44 of the Revised Code of Washington (RCW) and RCW		
18	34.05.060 of the Administrative Procedure Act based on the following:		
19	AGREEMENT	AND ORDER	
20	The Department of Financial Institutions, Division of Consumer Services (Department) and		
21	Respondents Integrity and Durheim have agreed upon a basis for resolution of the matters alleged in		
22	Statement of Charges No. C-09-029-09-SC01 (Statement of Charges), entered January 8, 2010 (copy		
23	attached hereto), solely as they relate to Respondents Integrity and Durheim. Pursuant to chapter 18.44		
24	RCW, the Escrow Agent Registration Act (Act), and	RCW 34.05.060 of the Administrative Procedure	
25	CONSENT ORDER 1 C-09-029-10-CO02 Integrity Closing and Escrow, LLC Aloar D. Durheim	DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703	

Act, Respondents Integrity and Durheim hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter, solely as they relate to Respondents Integrity and Durheim, may be economically and efficiently settled by entry of this Consent Order. The Department and Respondents Integrity and Durheim intend this Consent Order to fully resolve the Statement of Charges solely as they relate to Respondents Integrity and Durheim. Respondents Integrity and Durheim are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

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

B. Waiver of Hearing. It is AGREED that Respondents Integrity and Durheim have been informed of the right to a hearing before an administrative law judge, and that they hereby waive the right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, by the authorized signatures below, Respondents Integrity and Durheim hereby withdraw their appeals.

C. No Admission of Liability. It is AGREED that Respondents Integrity and Durheim do not admit to any wrongdoing by entry of this Consent Order.

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D. License Surrender. It is AGREED that the Department will accept the voluntary surrender of Respondents Integrity and Durheim's license to conduct business as an Escrow Agent.

E. Fine. It is AGREED that Respondents Integrity and Durheim shall pay to the Department a fine of \$1,000 in the form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent Order. 24

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CONSENT ORDER C-09-029-10-CO02 Integrity Closing and Escrow, LLC Aloar D. Durheim

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F. **Examination Fee.** It is AGREED that Respondents Integrity and Durheim shall pay to the Department an examination fee of \$3,000 in the form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent Order. Respondents Integrity and Durheim may pay both the fine and examination fee in the form of a single cashier's check made payable to the "Washington State Treasurer."

G. Agreement not to Apply. It is AGREED that Respondents Integrity and Durheim, individually or in the capacity as an owner, principal, share holder, or holder of any other type of ownership interest, shall not apply for a license to conduct business as an Escrow Agent or Escrow Officer for five years from the date of entry of this Consent Order.

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

I. Authority to Execute Order. It is AGREED that Respondent Durheim has represented and warranted that he has the full power and right to execute this Consent Order on behalf of Respondents Integrity and Durheim.

J. Voluntarily Entered. It is AGREED that Respondents Integrity and Durheim have
 voluntarily entered into this Consent Order, which is effective when signed by the Director's designee.
 K. Completely Read, Understood, and Agreed. It is AGREED that Respondents Integrity and
 Durheim have read this Consent Order in its entirety and fully understand and agree to all of the same.

CONSENT ORDER C-09-029-10-CO02 Integrity Closing and Escrow, LLC Aloar D. Durheim

1	RESPONDENTS:
2	Integrity Closing and Escrow, LLC
3	By:
and	SEE ATLACHEN
5	SEE ATIACHED Aloar D. Durheim Date
6	Owner
me 7	STE ATTACHED
8	Aloar D. Durheim Date Individually
9	
	DO NOT WRITE BELOW THIS LINE
10	THIS ORDER ENTERED THIS 24th DAY OF august, 2010.
11	Marine Congett
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13	al and the tent
14	DEBORAH BORTNER
15	Director Division of Consumer Services
16	Department of Financial Institutions
17	Presented by:
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19	Maherm
20	STÉVEN C. SHERMAN Financial Legal Examiner
21	Approved by:
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23	Lam KSuneltedg
24	JAMES R. BRUSSELBACK Enforcement Chief
25	
	CONSENT ORDER     4     DEPARTMENT OF FINANCIAL INSTITUTIONS       C-09-029-10-CO02     Division of Consumer Services       Integrity Closing and Escrew LLC     150 Israel Rd SW
	Aloar D. Durheim PO Box 41200 Olympia, WA 98504-1200
	(360) 902-8703

1	RESPONDENTS:		
2	Integrity Closing and Escrow, LLC		
3	By:		
4	Alan II. D.		8-9-10
5	ALOAR D. DURHEIM		Date
6	Owner		
7	Alon D. Duka'		<u>8-9-10</u> Date
8	Individually		Date
9	DO NOT WRIT	E BELOW THIS I	LINE
10			
11	THIS ORDER ENTERED THIS	DAY OF	, 2010.
12		:45	
13	DEBORAH BORTNER		
14	Director Division of Consumer Services		
15	Department of Financial Institutions		
16	Presented by:		
17			
18			
19	STEVEN C. SHERMAN Financial Legal Examiner		
20			
21	Approved by:		
22	JAMES R. BRUSSELBACK		
23	Enforcement Chief		
24			
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26			
	CONSENT ORDER	5	ATTORNEY GENERAL OF WASHINGTON

CONSENT ORDER

1 2	DEPARTMENT OF FIN	VASHINGTON IANCIAL INSTITUTIONS NSUMER SERVICES	
	DIVISION OF CO		
3	IN THE MATTER OF DETERMINING Whether there has been a violation of the	NO. C-09-029-09-SC01	
4	Escrow Agent Registration Act of Washington	STATEMENT OF CHARGES and	
5	by:	NOTICE OF INTENT TO REVOKE ESCROW OFFICER LICENSE, PROHIBIT	
6	INTEGRITY ESCROW AND CLOSING, LLC,	FROM INDUSTRY, IMPOSE FINE, COLLECT EXAMINATION FEE, AND	
7	DENNIS E. CHILBERG,	COLLECT INVESTIGATION FEE	
8	47.5% Owner, ALOAR D. DURHEIM,		
9	47.5% Owner, and		
	DARALEE B. NEISESS, 5% Owner and Designated Escrow Officer,		
10	Respondents.	· :	
11	Kespondents.		
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13		DUCTION	
14	Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions (Director) is		
15	responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (the Act).		
	After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680G-020, and		
16	based upon the facts available as of the date of this Statement of Charges, the Director, through his		
17	designee Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as		
18	follows:		
19	I. FACTUAL ALLEGATIONS		
20			
21	1.1 Respondents.		
22	A. Integrity Escrow and Closing, LLC, (Respondent Integrity) was licensed by the		
23	Department to conduct the business of an escrow agent on December 10, 2008. Respondent Integrity		
24	surrendered its license effective August 31, 2009. Respondent Integrity was licensed to conduct		
25	business from one location at 1403 W. 3 <sup>rd</sup> Avenue, Spokane, Washington.		
	1 STATEMENT OF CHARGES C-09-029-09-SC01 INTEGRITY ESCROW AND CLOSING LLC	DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW	

C-09-029-09-SC01 INTEGRITY ESCROW AND CLOSING, LLC, DENNIS E. CHILBERG, ALOAR D. DURHEIM, and DARALEE B. NEISESS

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B.

Dennis E. Chilberg is 47.5% owner of Respondent Integrity.

С. Aloar D. Durheim is 47.5% owner of Respondent Integrity.

Daralee B. Neisess (Respondent Neisess) is 5% owner and Designated Escrow Officer D. (DEO) of Respondent Integrity. Respondent Neisess was appointed DEO for Respondent Integrity on December 10, 2008, and continues to be licensed to date.

Unlicensed Activity. Between August 1, 2008, and December 9, 2008, Respondents provided 1.2 escrow services in at least 17 Washington real estate transactions. Respondents received fees totaling \$11,169.40 for these escrow services.

Failure to Pay Exam Fee. In August 2009, the Department examined Respondents' business 1.3 practices and issued Respondents an invoice for \$3,000 for the examination fee. Payment in full was due no later than September 16, 2009. To date, Respondents have not paid the examination fee, which continues to accrue interest at the rate of 12% per annum.

On-Going Investigation. The Department's investigation into the alleged violations of the Act 1.4 by Respondents continues to date.

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

Prohibition Against Unlicensed Activity. Based on the factual allegations set forth in Section I 2.1 above, Respondents are in apparent violation of RCW 18.44.021 for conducting escrow transactions before their license was issued.

Requirement to Pay Examination Fee. Based on the factual allegations set forth in Section I 2.2 above, Respondents are in apparent violation of RCW 18.44.430(1)(e) and WAC 208-680G-050 for failing to pay the examination fee within 30 days of invoice.

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STATEMENT OF CHARGES C-09-029-09-SC01 INTEGRITY ESCROW AND CLOSING, LLC, DENNIS E. CHILBERG, ALOAR D. DURHEIM, and DARALEE B. NEISESS

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

## **III. AUTHORITY TO IMPOSE SANCTIONS**

**3.1** Authority to Revoke License. Pursuant to RCW 18.44.430(1)(b), the Director may revoke the license of any escrow officer for violating any of the provisions of the Act or any lawful rules made by the Director pursuant to the Act.

**3.2** Authority to Prohibit from the Industry. Pursuant to RCW 18.44.430(3), in addition to or in lieu of license denial the Director may remove and/or prohibit from participation in the conduct of the affairs of a licensed escrow agent, any officer, controlling person, director, employee, or licensed escrow officer.

Authority to Impose Fine. Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in
 addition to 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 or rules adopted thereunder.

**3.4** Authority to Collect Examination and Investigation Fees Pursuant to RCW 18.44.410 and WAC 208-680G-050, the expense of an examination pursuant to WAC 208-680G-010 or an investigation pursuant to WAC 208-680G-020 shall be borne by the entity which is the subject of the investigation.

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officer.

## IV. NOTICE OF INTENTION TO ENTER ORDER

Respondents' violations of the provisions of chapter 18.44 RCW 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 18.44.410, RCW 18.44.430, RCW 18.44.301, and WAC 208-680G-030, which authorize the Director to enforce all laws, rules, and regulations related to the registration of escrow agents and licensing of escrow officers. Therefore, it is the Director's intention to ORDER that:
4.1 Respondent Daralee B. Neisess, license to conduct the business of an escrow officer be revoked;
4.2 Respondents Integrity Closing & Escrow, LLC, Dennis E. Chilberg, Aloar D. Durheim, and Daralee B. Neisess be prohibited from participating in the conduct of the affairs of any licensed escrow agent, as officer, controlling person, director, employee, licensed escrow officer, or designated escrow

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STATEMENT OF CHARGES C-09-029-09-SC01 INTEGRITY ESCROW AND CLOSING, LLC, DENNIS E. CHILBERG, ALOAR D. DURHEIM, and DARALEE B. NEISESS DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703 **4.3** Respondents Integrity Closing & Escrow, LLC, Dennis E. Chilberg, Aloar D. Durheim, and Daralee B. Neisess jointly and severally pay a fine which as of the date of these charges totals \$15,000;

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STATEMENT OF CHARGES

INTEGRITY ESCROW AND CLOSING, LLC,

C-09-029-09-SC01

DENNIS E. CHILBERG,

DARALEE B. NEISESS

ALOAR D. DURHEIM, and

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**4.5** Respondents Integrity Closing & Escrow, LLC, Dennis E. Chilberg, Aloar D. Durheim, and Daralee B. Neisess jointly and severally pay an examination fee which as of the date of these charges totals \$3,000.00, calculated at \$62.50 per hour for 48 staff hours devoted to the examination, plus accrued interest;

**4.6** Respondents Integrity Closing & Escrow, LLC, Dennis E. Chilberg, Aloar D. Durheim, and Daralee B. Neisess jointly and severally pay an investigation fee which as of the date of these charges totals \$812.50, calculated at \$62.50 per hour for 13 staff hours devoted to the investigation; and

**4.7** Respondents Integrity Closing & Escrow, LLC, Dennis E. Chilberg, Aloar D. Durheim, and Daralee B. Neisess maintain all records involving Washington escrow transactions for a minimum of six years following the closing or termination of the escrow transaction.

DEPARTMENT OF FINANCIAL INSTITUTIONS

Division of Consumer Services

Olympia, WA 98504-1200

150 Israel Rd SW

PO Box 41200

(360) 902-8703

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1	V. AUTHORITY AND PROCEDURE		
2	This Statement of Charges and Notice of Intent to Revoke Escrow Officer License, Prohibit		
3	from Industry, Impose Fine, Collect Examination Fee, and Collect Investigation Fee (Statement of		
4	Charges) is entered pursuant to the provisions of RCW 18.44.410 and RCW 18.44.430, and is subject to		
5	the provisions of chapter 34.05 RCW. Respondents may make a written request for a hearing as set forth		
6	in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING		
7	accompanying this Statement of Charges.		
8	DATED this the day of January, 2010.		
9	DATED this $\underline{\partial}$ day of January, 2010.		
10 11	Hall Bril		
11	DEBORAH BORTNER Director		
12	Division of Consumer Services Department of Financial Institutions		
14			
15	Presented by:		
16	Sthem_		
17	Financial Legal Examiner		
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19	Approved by:		
20	Anner A. Bruneltack		
21	Enforcement Chief		
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	5 STATEMENT OF CHARGES C-09-029-09-SC01 INTEGRITY ESCROW AND CLOSING, LLC, DENNIS E. CHILBERG, ALOAR D. DURHEIM, and DARALEE B. NEISESS 5 DEPARTMENT OF FINANCIAL INSTITUTIONS DIVISION OF Consumer Services 150 Israel Rd SW PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703		

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2	STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS DIVISION OF CONSUMER SERVICES		
3			
4	IN THE MATTER OF DETERMINING	C-09-029-09-SC01	
5	Whether there has been a violation of the Escrow Agent Registration Act of Washington by:		
6	INTEGRITY ESCROW AND CLOSING, LLC,	NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING	
7	DENNIS E. CHILBERG, 47.5% Owner, ALOAR D. DURHEIM, 47.5% Owner, and		
8	DARALEE B. NEISESS, 5% Owner and Designated Escrow Officer,		
9	Respondents.		
10	THE STATE OF WASHINGTON TO: INTEGRITY ESCROW AND CLOSING, LLC,		
11	DENNIS E. CHILBERG, ALOAR D. DURHEIM,		
12	DARALEE B. N	IEISESS	
13	YOU ARE HEREBY NOTIFIED that a STATEMENT OF CHARGES has been filed by the Department		
14	of Financial Institutions, a true and correct copy of which is attached and made a part hereof.		
15	YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the		
16	Washington State Department of Financial Institutions on the Statement of Charges. Service of this notice is		
17	deemed complete upon deposit in the United States mail. <u>YOUR APPLICATION MUST BE RECEIVED BY</u>		
18	THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN 20 DAYS FROM THE DATE YOU		
19	RECEIVED THIS NOTICE. If you demand a hearing, you will be notified of the time and place for the hearing at		
20	least seven days in advance of the hearing date.		
21	At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as informal		
22	as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05 RCW). The hearing		
23	will be recorded. The primary concern will be getting to the truth of the matter insofar as the Statement of Charges		
24	is concerned. Technical rules of evidence will not be bindin	ig at the hearing except for the rules of privilege	
25	recognized by law. You have the right to present evidence a	and witnesses in your own behalf, and to cross-examine	
	1 NOTICE OF OPPORTUNITY TO DEFEND	DEPARTMENT OF FINANCIAL INSTITUTIONS	

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NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING those witnesses presented in support of the Statement of Charges. You may require the attendance of witnesses by subpoena. If you are limited English- speaking or hearing impaired, you have the right to have an interpreter appointed at no cost to you, as discussed below.

INTERPRETER AVAILABILITY. If you or a witness for you is a person who, because of non-Englishspeaking cultural background, cannot readily speak or understand the English language, or if you or a witness for
you is a person who, because of a hearing impairment or speech defect, cannot readily understand or communicate
in spoken language, including persons who are deaf, deaf and blind, or hard of hearing, <u>AND YOU NEED AN</u>
INTERPRETER, then a qualified interpreter will be appointed at no cost to you or to the witness. You may request
the appointment of a qualified interpreter by indicating your request on the attached Application for Adjudicative
Hearing form.

YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not <u>RECEIVE</u> the
Application for Adjudicative Hearing form within 20 days from the date you received this notice, this will
constitute a waiver of your right to a hearing and the Director will find that you do not contest the allegations of the
Statement of Charges. Upon such a finding by the Director a final order will be immediately entered disposing of
this matter as described in the Statement of Charges. If you desire a hearing in this matter, please return the

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16 attached Application for Adjudicative Hearing to:

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Department of Financial Institutions Division of Consumer Services Attn: Fatima Batie PO Box 41200 Olympia, Washington 98504-1200

Dated this  $\underline{11}^{\mu}$  day of January, 2010.



DEBORAH BORTNER Director Division of Consumer Services Department of Financial Institutions

NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING

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