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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION**

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

C-09-347-09-TD01

STILLWATER MORTGAGE COMPANY, INC.  
and CHRISTOPHER HERMSEN, President and  
Designated Broker,

TEMPORARY ORDER TO  
CEASE AND DESIST

Respondents.

THE STATE OF WASHINGTON TO:            STILLWATER MORTGAGE COMPANY, INC.  
CHRISTOPHER HERMSEN

COMES NOW the Director of the Washington State Department of Financial Institutions (Director), by and through his designee Deborah Bortner, Division Director, Division of Consumer Services (designee), and finding that the public is likely to be substantially injured by delay in issuing a cease and desist order, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, enters this Temporary Order to Cease and Desist pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), based on the following findings:

**I. FACTUAL FINDINGS**

**1.1 Respondent Stillwater Mortgage Company, Inc. (Stillwater Mortgage Company)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on August 1, 1996, and continues to be licensed to date. Respondent Stillwater Mortgage Company is licensed to conduct the business of a mortgage broker at the following location:

3139 Glendale Dr. W.  
University Place, WA 98466

**1.2 Respondent Christopher Hermesen (Respondent Hermesen)** is President and Designated Broker of Respondent Stillwater Mortgage Company. Respondent Hermesen was named Designated Broker of Respondent Stillwater Mortgage Company on August 1, 1996, and continues as Designated Broker to date.

**1.3 Surety Bond Cancellation.** On June 15, 2009, the Department received notice from State Farm Fire and Casualty Company that Respondent Stillwater Mortgage Company's surety bond would be cancelled,

1 effective July 25, 2009. On July 25, 2009, Respondent Stillwater Mortgage Company's surety bond was  
2 cancelled. To date, Respondents have failed to provide the required surety bond.

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

4 **2.1 Requirement to Maintain Surety Bond.** Based on the Factual Allegations set forth in Section I  
5 above, Respondents are in apparent violation of RCW 19.146.205(4)(a) and WAC 208-660-175(1) for failing to  
6 file and maintain a surety bond with the Department.

### 7 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

8 **3.1 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW 19.146.227, the  
9 Director is authorized to issue a temporary order to cease and desist whenever the Director determines that the  
10 public is likely to be substantially injured by delay in issuing a cease and desist order. Based on the Factual  
11 Findings and Grounds for Entry of Order set forth above, Respondent Stillwater Mortgage Company does not  
12 maintain the required surety bond, and the public is likely to be substantially injured by the lack of said surety  
13 bond coverage.

### 14 **IV. ORDER**

15 Based on the above Factual Findings, Grounds for Entry of Order, and Authority to Issue Temporary  
16 Order to Cease and Desist, and pursuant to RCW 19.146.227, the Director determines that the public is likely to  
17 be substantially harmed by a delay in entering a cease and desist order. Therefore, the Director ORDERS that:

18 **4.1** Respondents shall immediately cease and desist from participating in the conduct of the affairs of any  
19 mortgage broker subject to licensure by the Director, in any manner, specifically including, but not limited to  
20 originating any residential mortgage loan, assisting with the origination of any residential mortgage loan, and  
21 holding out as able to assist any person with applying for or obtaining any residential mortgage loan.

22 **4.2** This order shall take effect immediately and shall remain in effect unless set aside, limited, or  
23 suspended in writing by an authorized court.

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**NOTICE**

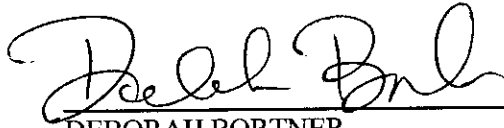
PURSUANT TO CHAPTER 19.146 RCW, YOU ARE ENTITLED TO A HEARING WITHIN 14 DAYS OF REQUEST TO DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU DESIRE A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE. FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE THAT THIS ORDER WAS SERVED ON YOU WILL CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF YOUR RIGHT TO A HEARING. SERVICE ON YOU IS DEFINED AS POSTING IN THE U.S. MAIL, POSTAGE PREPAID, TO YOUR LAST KNOWN ADDRESS. BE ADVISED THAT DEFAULT WILL RESULT IN THIS ORDER TO CEASE AND DESIST BECOMING PERMANENT ON THE TWENTY-FIRST (21ST) DAY FOLLOWING SERVICE OF THIS ORDER UPON YOU.

WITHIN TEN DAYS AFTER YOU HAVE BEEN SERVED WITH THIS TEMPORARY ORDER TO CEASE AND DESIST, YOU MAY APPLY TO THE SUPERIOR COURT IN THE COUNTY OF YOUR PRINCIPAL PLACE OF BUSINESS FOR AN INJUNCTION SETTING ASIDE, LIMITING, OR SUSPENDING THIS ORDER PENDING THE COMPLETION OF THE ADMINISTRATIVE PROCEEDINGS PURSUANT TO THIS NOTICE.

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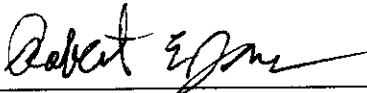
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DATED this 23<sup>rd</sup> day of September, 2009.

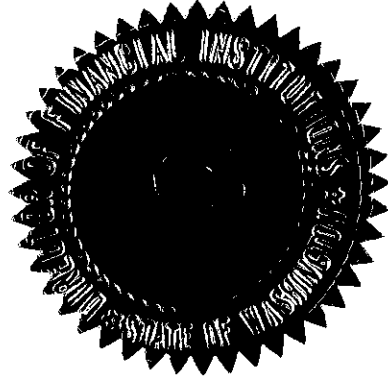


DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:



ROBERT E. JONES  
Financial Legal Examiner



Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief

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**STATE OF WASHINGTON  
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IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

C-09-347-09-TD01

STILLWATER MORTGAGE COMPANY, INC.  
and CHRISTOPHER HERMSEN, President and  
Designated Broker,

NOTICE OF OPPORTUNITY TO DEFEND  
AND OPPORTUNITY FOR HEARING

Respondents.

THE STATE OF WASHINGTON TO:                    STILLWATER MORTGAGE COMPANY, INC.  
CHRISTOPHER HERMSEN

YOU ARE HEREBY NOTIFIED that a Temporary Order to Cease and Desist has been filed by the  
Department of Financial Institutions, a true and correct copy of which is attached and made a part hereof.

YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the  
Washington State Department of Financial Institutions to contest the Temporary Order to Cease and Desist.

YOUR APPLICATION MUST BE RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS  
WITHIN TWENTY (20) DAYS FROM THE DATE YOU RECEIVED THIS NOTICE. Service of this notice is  
deemed complete upon deposit in the United States mail. If you demand a hearing, you will be notified of the time  
and place for the hearing at least seven (7) days in advance of the hearing date.

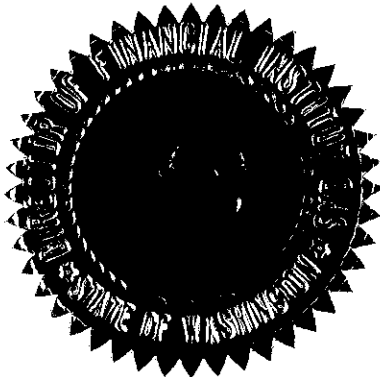
At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as informal  
as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05 RCW). The  
hearing will be recorded. The primary concern will be getting to the truth of the matter insofar as the Temporary  
Order is concerned. Technical rules of evidence will not be binding at the hearing except for the rules of privilege  
recognized by law. You have the right to present evidence and witnesses in your own behalf, and to cross-  
examine those witnesses presented in support of the Temporary Order to Cease and Desist. 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.

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

8            YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not RECEIVE the  
9 Application for Adjudicative Hearing form within twenty (20) days from the date you received this notice, this  
10 will constitute a waiver of your right to a hearing and the Director will find that you do not contest the allegations  
11 of the Temporary Order to Cease and Desist. Upon such a finding by the Director, a permanent Order to Cease  
12 and Desist will be immediately entered disposing of this matter as described in the Temporary Order to Cease and  
13 Desist. If you desire a hearing in this matter, please return the attached Application for Adjudicative Hearing to:

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

18            Dated this 23<sup>rd</sup> day of September, 2009.



19            *Deborah Bortner*

20            DEBORAH BORTNER  
21            Director  
22            Division of Consumer Services  
23            Department of Financial Institutions