

ORDER SUMMARY – Case Number: C-08-159

Name(s): Irene Vivian Dallum
aka Irene Vivian George
aka Irene Dallum Winter

Order Number: C-08-159-10-CO01

Effective Date: March 18, 2011

License Number: DFI: 32452 [NMLS: 92318]

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)

License Effect: Revoked
If applicable, you must specifically note the ending dates of terms.

Not Apply Until: March 19, 2021

Not Eligible Until: _____

Prohibition/Ban Until: March 19, 2021

Investigation Costs	\$3,500	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$3,500	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:				

Comments:

RECEIVED

MAR 18 2011

ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

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

NO. C-08-159-10-CO01

IRENE VIVIAN DALLUM,
aka IRENE VIVIAN GEORGE,
aka IRENE DALLUM WINTER,

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 Irene Vivian Dallum, aka Irene Vivian George, aka Irene Dallum Winter (hereinafter 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 19.146 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-08-159-10-SC02 (Amended Statement of Charges), entered April 1, 2010, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices 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 Amended Statement of Charges.

Based upon the foregoing:

CONSENT ORDER
C-08-159-10-CO01
Irene Vivian Dallum, aka Irene Vivian George,
aka Irene Dallum Winter

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

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

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

7 C. **Mortgage Loan Originator License Revocation.** It is AGREED that Respondent's mortgage loan
8 originator license is revoked.

9 D. **Prohibition from Industry.** It is AGREED that, for a period of ten years from the date of entry of
10 this Consent Order, Respondent is prohibited from participating in the conduct of the affairs of any mortgage
11 broker licensed by the Department or subject to licensure or regulation by the Department under the Act, in any
12 capacity, including but not limited to: (1) any financial capacity whether active or passive or (2) as an officer,
13 director, principal, partner, LLC member, designated broker, employee, or loan originator.

14 E. **Declaration of Financial Condition and Confession of Judgment.** It is AGREED that Respondent
15 has provided the Department with a Declaration comprehensively describing her current financial condition and
16 representing her current inability to pay the investigation fee obligation agreed to in Paragraph G of this Consent
17 Order. It is further AGREED that, based on this Declaration, the Department has accepted a Confession of
18 Judgment from Respondent for the investigation fee obligation agreed to in Paragraph G of this Consent Order. A
19 copy of this Confession of Judgment is attached and incorporated into this Consent Order by this reference.
20 Consistent with RCW 4.60, the Department may immediately seek entry of the judgment. Respondent shall, upon
21 the Department's request, fully and promptly cooperate with the Department in its efforts to get the judgment
22 entered by the superior court.

23 F. **Confession of Judgment for Investigation Fee.** It is AGREED that Respondent has entered into a
24 Confession of Judgment for an investigation fee in the amount of \$3,500 owed to the Department.

1 G. **Change of Address.** It is AGREED that for the duration of the period this Consent Order is in effect,
2 unless otherwise agreed to in writing by the Department and Respondent, Respondent shall provide the
3 Department with a mailing address and telephone number at which Respondent can be contacted and Respondent
4 shall notify the Department in writing of any changes to her mailing address or telephone number within fifteen
5 calendar days of any such change.

6 H. **Complete Cooperation with the Department (Statements).** It is AGREED that, upon written
7 request by the Department, Respondent shall provide the Department truthful and complete sworn statements
8 outlining her activities with respect to Washington Financial Group, Inc. (Washington Financial) and any and all
9 persons involved or in any way associated with Washington Financial, including but not limited to owners,
10 employees, independent contractors, agents, businesses and persons with whom Washington Financial dealt,
11 communicated, or otherwise related. The "sworn statements" may take the form of affidavits, declarations, or
12 deposition testimony, at the Department's discretion. A failure to cooperate fully, truthfully, and completely is a
13 breach of this Consent Order.

14 I. **Complete Cooperation with the Department.** In addition to providing sworn statements as
15 described in paragraph I, it is AGREED that, upon written request by the Department, Respondent shall cooperate
16 fully, truthfully, and completely with the Department and provide any and all information known to her relating in
17 any manner to Washington Financial and any and all persons involved or in any way associated with Washington
18 Financial, including but not limited to owners, employees, independent contractors, agents, businesses and persons
19 with whom Washington Financial dealt, communicated, or otherwise related. It is further AGREED that, upon
20 written request by the Department, Respondent shall provide any and all documents, writings or materials, or
21 objects or things of any kind in her possession or under her care, custody, or control that she is authorized to
22 possess, obtain, or distribute relating directly or indirectly to all areas of inquiry and investigation. It is further
23 AGREED that Respondent shall testify fully, truthfully, and completely at any and all proceedings related to any
24 Department investigation or enforcement action or both related to any and all persons involved or in any way

1 associated with Washington Financial, and any respondents named therein. A failure to cooperate fully, truthfully,
2 and completely is a breach of this Consent Order.

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

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

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

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RESPONDENT:

Irene Vivian Dallum
Irene Vivian Dallum

1-14-11
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 18th DAY OF March, 2010⁰⁸



Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

Mark T. Olson

MARK T. OLSON
Financial Legal Examiner

Approved by:

James R. Brusselback
JAMES R. BRUSSELBACK
Enforcement Chief

ATTORNEY GENERAL
OF WASHINGTON

JUN 13 2011

GOVERNMENT COMPLIANCE
& ENFORCEMENT

FILED RECEIVED
KING COUNTY WASHINGTON MAR 18 2011

JUN 08 2011

ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

SUPERIOR COURT CLERK

EXP07

STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,
DEPARTMENT OF FINANCIAL
INSTITUTIONS,

Plaintiff,

v.

IRENE VIVIAN DALLUM, aka
IRENE VIVIAN GEORGE, aka
IRENE DALLUM WINTER,

Defendant.

NO. 11-2-20213-5 SEA

CONFESSION OF JUDGMENT

Judgment Summary

Judgment Creditors for Cost of Investigation:	State of Washington, Department of Financial Institutions
Attorneys for Department of Financial Institutions:	Robert M. McKenna, Washington Attorney General Jennifer Elias, Assistant Attorney General
Judgment Debtor:	Irene Dallum, aka Irene Vivian George, aka Irene Dallum Winter
Principal Judgment Amount for Cost of Investigation:	\$3,500 owed to the Department of Financial Institutions
Total Judgment Amount:	\$3,500
Post-Judgment Interest (per annum):	12%

Pursuant to Chapter 4.60 of the Revised Code of Washington, Judgment by Confession,
the Defendant hereby authorizes entry of a judgment under the following terms:

CONFESSION OF JUDGMENT
IRENE DALLUM

ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100
(360) 664-9006

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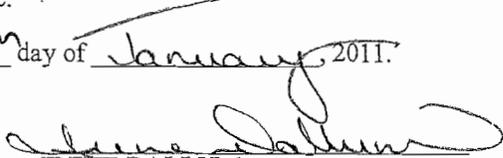
Factual Basis for Judgment

The State of Washington, Department of Financial Institutions and Irene Dallum have agreed upon a basis for resolution of the matters alleged in Amended Statement of Charges No. C-08-159-10-SC02 (Amended Statement of Charges), entered April 1, 2010. Irene Dallum has agreed to enter into a Confession of Judgment, pursuant to chapter 4.60 RCW, in the amount of \$3,500.

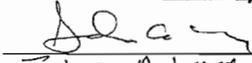
Authorization for Entry of Judgment

I, Irene Dallum, being duly sworn upon oath, acknowledge the debt of \$3,500 owed to the Department of Financial Institutions, and I authorize entry of judgment against me for the amount set forth in the judgment summary above.

DATED this 14th day of January, 2011.


IRENE DALLUM

SUBSCRIBED AND SWORN TO before me in Issaquah, Washington this 28 day of February, 2011.



John A Long
Notary Public in and for the State of
Washington, residing at Issaquah,
Washington.
My Commission expires: 2013



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Order for Entry

The above Confession of Judgment having been presented to this Court for entry in accordance with RCW 4.60.070, the Court having found said Confession of Judgment to be sufficient, now, therefore, it is hereby

ORDERED that the Clerk of this Court shall forthwith enter Judgment against Irene Dallum, aka Irene Vivian George, aka Irene Dallum Winter, in accordance with the terms of the Confession of Judgment.

DONE IN OPEN COURT this 8 day of June, 2011.


JUDGE/COURT COMMISSIONER

Presented by:

ROBERT M. MCKENNA
Attorney General

ERIC WATNESS

JUN 08 2011


JENNIFER ELIAS, WSBA#36334
Assistant Attorney General

COURT COMMISSIONER

Attorneys for State of Washington
Department of Financial Institutions

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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
Mortgage Broker Practices Act of Washington by:

C-08-159-10-SC02

IRENE VIVIAN DALLUM,
aka IRENE VIVIAN GEORGE,
aka IRENE DALLUM WINTER,

**AMENDED STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE,
IMPOSE FINE, PROHIBIT FROM INDUSTRY,
AND COLLECT INVESTIGATION FEE**

Respondent.

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INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act)¹.

After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of May 27, 2009, the Director, through his designee, Division of Consumer Services Director Deborah Bortner (Division Director Bortner), issued Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Impose Fine, Prohibit from Industry, and Collect Investigation Fee, C-08-159-08-SC01 (Statement of Charges SC01) on May 27, 2009. Respondent was served with Statement of Charges SC01 and filed an Application for Adjudicative Hearing with the Department of Financial Institutions (Department). After the issuance of Statement of Charges SC01, certain information came to the attention of the Director that requires the amendment of Statement of Charges SC01. Based on the facts available as of the date of this Amended Statement of Charges, the Director, through Division Director Bortner, now proceeds to amend Statement of Charges SC01 by issuing Amended Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Impose Fine, Prohibit from Industry, and Collect Investigation Fee C-08-159-10-SC02. This Amended Statement of Charges

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¹ The Act, effective in 1994, was amended in 2006, with the changes effective January 1, 2007. Alleged violations referenced in this Statement of Charges that occurred in 2006 or earlier are cited as violating the 1994 Act; those that occurred in 2007 or later are cited as violating the 2007 Act.

1 includes the following modifications: addition of factual allegations in paragraphs 1.2 and 1.3, updating the fine
2 amount as of the date of this Amended Statement of Charges, and updating the investigation costs as of the date of
3 this Amended Statement of Charges.

4 I. FACTUAL ALLEGATIONS

5 1.1 Respondent Irene Vivian Dallum, aka Irene Vivian George, aka Irene Dallum Winter

6 **(Respondent)** was licensed by the Department of Financial Institutions of the State of Washington
7 (Department) to conduct business as a loan originator on February 7, 2007, and continues to be licensed to date.
8 Respondent's loan originator license is currently associated with Washington Financial Group, Inc.²

9 1.2 **Respondent's Residence.** Respondent has provided a residential history to the Department under oath
10 indicating Respondent resided at 5949 48th Ave SW, Seattle, WA from March 2003 to December 2009³.

11 1.3 Prohibited Acts.

12 A. **Respondent as Borrower.** In at least five residential mortgage loan transactions totaling over
13 \$3 million and involving at least five properties, Respondent misrepresented information to lenders in order to
14 obtain residential mortgage loans for herself. Such information included her assets, liabilities, and intent to
15 occupy properties as her primary residence. All five of these properties have been foreclosed, or sold or listed
16 for sale for less than the outstanding loan balance, resulting in at least \$740,000 in losses to lenders.

17 **Transaction 1.** In or around May 2006, Respondent obtained two residential mortgage loans totaling
18 \$420,000 to refinance property located at 5949 48th Ave SW, Seattle, WA (Property 1). Respondent
19 represented to the lender that she would be occupying Property 1 as her primary residence. In or around
20 January 2009 and August 2009, Notices of Trustee's Sale were recorded scheduling Trustee's Sales for
21 Property 1 and indicating Respondent had not made any payments on at least one of the underlying residential
22 mortgage loans since at least May 1, 2008. In or around February 2010, the lender obtained Property 1 with a
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25 ² Washington Financial Group, Inc. is a mortgage broker licensed by the Department.

³ On or about February 4, 2008, the Department received a Form MU4 from Respondent listing her current residence as 4113 44th Ave SW, Seattle, WA.

1 Trustee's Deed (foreclosure). As of the date of this Amended Statement of Charges, Property 1 is listed for sale
2 for \$376,000, which would result in a loss to the lender of at least \$44,000.

3 **Transaction 2.** In or around May 2006, Respondent obtained two residential mortgage loans totaling
4 \$458,500 to purchase property located at 4512 48th Ave SW, Seattle, WA (Property 2). The purchase price was
5 \$458,500. Respondent represented to the lender that she would be occupying Property 2 as her primary
6 residence. In or around February 2008 and July 2008, Notices of Trustee's Sale were recorded scheduling
7 Trustee's Sales for Property 2 and indicating Respondent had not made any payments on at least one of the
8 underlying residential mortgage loans since at least September 1, 2007. In or around January 2009, a Notice of
9 Discontinuance of Trustee's Sale was recorded. As of the date of this Amended Statement of Charges, Property
10 2 is listed for sale for \$349,999, which would result in a loss to the lender of at least \$108,000.

11 **Transaction 3.** In or around May 2006, Respondent obtained two residential mortgage loans totaling
12 \$410,000 to purchase property located at 4903 SW Admiral Way, Seattle, WA (Property 3). The purchase price
13 was \$410,000. Respondent represented to the lender that she would be occupying Property 3 as her primary
14 residence and that Property 1 was a rental property which would produce \$2,000 per month in rental income
15 under a lease contract beginning June 1, 2006. Respondent did not disclose to the lender that she was also in
16 the process of obtaining \$878,500 in residential mortgage loans from two other lenders to refinance Property 1
17 and purchase Property 2, and that she had represented to those other lenders that she would be occupying
18 Property 1 and Property 2 as her primary residence. In or around February 2008 and August 2008, Notices of
19 Trustee's Sale were recorded scheduling Trustee's Sales for Property 3 and indicating Respondent had not made
20 any payments on at least one of the underlying residential mortgage loans since at least September 1, 2007.
21 Property 3 was sold by Respondent in or around December 2008 for \$318,500, resulting in a loss to the lender
22 of at least \$92,000.

23 **Transaction 4.** In or around December 2006, Respondent obtained a \$564,750 residential mortgage
24 loan to purchase property located at 132 NW 83rd St, Seattle, WA (Property 4). The purchase price was
25 \$627,500. Respondent represented to the lender that she would be occupying Property 4 as her primary

1 residence. In or around March 2008, August 2008, and November 2008, Notices of Trustee's Sale were
2 recorded scheduling Trustee's Sales for Property 4 and indicating Respondent had not made any payments on
3 the underlying residential mortgage loan since at least August 1, 2007. In or around February 2009, the lender
4 obtained Property 4 with a Trustee's Deed (foreclosure). In or around May 2009, Property 4 was sold for
5 \$361,000, resulting in a loss to the lender of at least \$203,000.

6 **Transaction 5.** In or around June 2007, Respondent obtained two residential mortgage loans totaling
7 \$1,175,000 to purchase property located at 4113 44th Ave SW, Seattle, WA (Property 5). The purchase price
8 was \$1,175,000. Respondent represented to the lender that she would be occupying Property 5 as her primary
9 residence. In or around April 2008, a Notice of Trustee's Sale was recorded scheduling a Trustee's Sale for
10 Property 5 and indicating Respondent had not made any payments on at least one of the underlying residential
11 mortgage loans since at least November 1, 2007. In or around July 2008, the lender obtained Property 5 with a
12 Trustee's Deed (foreclosure). In or around November 2008, Property 5 was sold for \$730,000, resulting in a
13 loss to the lender of at least \$445,000.

14 **B. Borrowers AV and CV (AC & CV).** In or around November 2006, Respondent originated
15 two residential mortgage loans totaling \$320,900 for AV & CV to purchase property located at 14054 SE 195th
16 Pl, Renton, WA (Property 6). The purchase price was \$320,900. Respondent disclosed to the lender that AV &
17 CV's assets included \$16,000 in a bank account and \$44,250 equity in AV & CV's former residence (\$177,000
18 fair market value less \$132,750 outstanding mortgage) which AV & CV were in the process of selling.
19 Respondent did not disclose to the lender that the bank account asset consisted of a loan or a gift from
20 Respondent.

21 In or around April 2008, the Department received a complaint from AV & CV alleging that: AV & CV
22 told Respondent they could not afford the loan payments on Property 6 prior to the closing of the transaction;
23 Respondent told AV & CV that she would not allow them to miss out on the opportunity to own Property 6 and
24 Respondent would help them make the payments if she needed to; Respondent loaned AV & CV \$16,500 in or
25 around October 2006 to place in AV & CV's bank account and show as an asset for the lender to verify in order

1 for AV & CV to qualify for the residential mortgage loans to purchase Property 6; and AV & CV repaid
2 Respondent the \$16,500 when the sale of AV & CV's former residence closed in or around December 2006.

3 AV & CV provided the Department: bank statements reflecting \$16,500 in deposits to their account in
4 October 2006 and a \$16,500 check clearing their account in December 2006; email exchanges with Respondent
5 from 2007 indicating Respondent was attempting to refinance AV & CV's loans and was occasionally giving
6 AV & CV money to help with their mortgage payments; and copies of three \$1,500 checks from Respondent
7 from 2007 (one of which was returned for insufficient funds from Respondent's bank account).

8 In or around September 2008, a Notice of Trustee's Sale was recorded scheduling a Trustee's Sale for
9 Property 6 and indicating AV & CV had not made any payments on at least one of the underlying residential
10 mortgage loans since at least April 1, 2008. In or around December 2008, the lender obtained Property 6 with a
11 Trustee's Deed (foreclosure). In or around February 2009, Property 6 was sold for \$198,000, resulting in a loss
12 to the lender of approximately \$123,000.

13 **C. Borrowers JC and AC (JC & AC).** In at least two residential mortgage loan transactions
14 totaling over \$476,000 and involving at least two properties, Respondent misrepresented information to lenders
15 in order to obtain residential mortgage loans for JC & AC. Such information included assets, liabilities, and
16 intent to occupy properties as their primary residence.

17 **Transaction 1.** In or around March 2008, Respondent assisted JC & AC in obtaining a \$156,750
18 residential mortgage loan to refinance property located at 12430 SE 272nd Place #A-101, Kent, WA
19 (Property 7).

20 **Transaction 2.** In or around March 2008, Respondent assisted JC & AC in obtaining a \$319,929
21 residential mortgage loan to purchase property located at 913 S 8th Street, Tacoma, WA (Property 8). The
22 purchase price was \$324,950 and the loan was insured by the HUD/FHA.

23 Respondent represented to the lender in each transaction that JC & AC would be occupying each
24 subject property as their primary residence. Respondent did not disclose to either lender that Respondent was
25 originating loans for JC & AC on two properties simultaneously while representing to each lender that JC & AC

1 would be occupying each property as their primary residence. Respondent represented to the lender in
2 Transaction 2 that Property 7 was a rental property generating \$1,300 per month in rental income. Respondent
3 provided each lender with the same copies of paystubs, W-2s, bank statements, and investment account
4 statements to document JC & AC's income and assets. Washington Financial Group, Inc.'s mortgage broker
5 files for both transactions contained credit reports, residential mortgage loan applications, and disclosure
6 documents; all prepared, signed, and dated by Respondent and JC & AC in March 2008.

7 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
8 Respondent continues to date.

9 II. GROUNDS FOR ENTRY OF ORDER

10 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) of both the 1994 and 2007 Acts,
11 "Mortgage Broker" means any person who for compensation or gain, or in the expectation of compensation or
12 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential
13 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a
14 person in obtaining or applying to obtain a residential mortgage loan.

15 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10) of the 1994 Act, "Loan Originator"
16 means a person employed, either directly or indirectly, or retained as an independent contractor by a person
17 required to be licensed as a mortgage broker, or a natural person who represents a person required to be licensed
18 as a mortgage broker, in the performance of any act specified in RCW 19.146.010(12) of the 1994 Act (see
19 paragraph 2.1 above). Pursuant to RCW 19.146.010(10) of the 2007 Act, "Loan Originator" means a natural
20 person who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or negotiates
21 terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect
22 compensation or gain. "Loan originator" also includes a person who holds themselves out to the public as able
23 to perform any of these activities. "Loan Originator" does not mean persons performing purely administrative
24 or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or clerical tasks"
25 means the receipt, collection, and distribution of information common for the processing of a loan in the

1 mortgage industry and communication with a borrower to obtain information necessary for the processing of a
2 loan. A person who holds himself or herself out to the public as able to obtain a loan is not performing
3 administrative or clerical tasks.

4 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent is in
5 apparent violation of RCW 19.146.0201(1), (2), and (3) of both the 1994 and 2007 Acts for directly or
6 indirectly employing a scheme, device or artifice to defraud or mislead borrowers or lenders or any person,
7 engaging in an unfair or deceptive practice toward any person, and obtaining property by fraud or
8 misrepresentation.

9 III. AUTHORITY TO IMPOSE SANCTIONS

10 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2) of the 2007 Act, the Director may
11 revoke a license for any violation of the Act.

12 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(c) of the 1994 Act and RCW
13 19.146.220(3)(a) of the 2007 Act, the Director may impose fines on an employee, loan originator, independent
14 contractor, or agent of the licensee, or other person subject to the Act for any violation of RCW 19.146.0201(1)
15 through (9) of both the 1994 and 2007 Acts.

16 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e) of the 1994 Act and
17 RCW 19.146.220(5)(a) of the 2007 Act, the Director may issue orders removing from office or prohibiting from
18 participation in the conduct of the affairs of a licensed mortgage broker, or both, any officer, principal,
19 employee, or loan originator of any licensed mortgage broker or any person subject to licensing under the Act
20 for any violation of RCW 19.146.0201(1) through (9) of both the 1994 and 2007 Acts.

21 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) of the 2007 Act and WAC 208-
22 660-550(4)(a), the Department may charge forty-eight dollars (\$48) per hour for an examiner's time devoted to an
23 investigation of the books and records of a licensee or other person subject to the Act.

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

2 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
3 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
4 for the entry of an Order under RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223 of the 2007 Act.

5 Therefore, it is the Director's intention to ORDER that:

- 6 **4.1** Respondent Irene Vivian Dallum's license to conduct the business of a loan originator be revoked;
- 7 **4.2** Respondent Irene Vivian Dallum pay a fine which as of the date of this Amended Statement of Charges
8 totals \$24,000;
- 9 **4.3** Respondent Irene Vivian Dallum be prohibited from participation in the conduct of the affairs of any
10 mortgage broker subject to licensure by the Director, in any manner, for a period of ten years;
- 11 **4.4** Respondent Irene Vivian Dallum pay an investigation fee which as of the date of this Amended Statement
12 of Charges totals \$2,854.

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V. AUTHORITY AND PROCEDURE

This **Amended** Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Impose Fine, Prohibit from Industry, and Collect Investigation Fee is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230 of the 2007 Act, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act).

Dated this 1st day of April, 2010.



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

MARK T. OLSON
Financial Legal Examiner

Approved by:

JAMES R. BRUSSELBACK
Enforcement Chief