

**ORDER SUMMARY – Case Number: C-10-294**

Name(s): Premier Lending Group LLC; TJ Gallo

Order Number: C-10-294-13-CO01

Effective Date: March 14, 2013

License Number: DFI: 24935 NMLS ID: 4915 (Premier Lending Group)  
NMLS ID: 68844 (TJ Gallo)Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)  
If applicable, you must specifically note the ending dates of terms.

License Effect: none

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

<b>Investigation Costs</b>	\$2,208	Due: 03/12/13	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 03/12/13
<b>Fine</b>	\$25,400	Due:03/12/13	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	\$17,792 paid 03/12/13
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>		Due:	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>	<input type="checkbox"/> Y <input type="checkbox"/> N			
No. of Victims:				

Comments: Premier Lending Group, LLC is subject to 2 annual compliance reviews at its expense should the company ever apply for and obtain a license under the MBPA or CLA. \$7,608 due within 180 days

**RECEIVED**

**MAR 12 2013**

CONSUMER SERVICES DIVISION  
DEPT OF FINANCIAL INSTITUTIONS  
OLYMPIA, WASHINGTON

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

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

No.: C-10-294-13-CO01

CONSENT ORDER

4  
5 PREMIER LENDING GROUP, LLC,  
6 NMLS #4915, and  
7 TJ GALLO, Owner and Designated Broker  
8 NMLS #68844

Respondents.

9 COMES NOW the Director of the Department of Financial Institutions (Director), through his  
10 designee Deborah Bortner, Division Director, Division of Consumer Services, and Premier Lending  
11 Group, LLC (Respondent Premier), and TJ Gallo, Owner and Designated Broker (Respondent Gallo),  
12 and finding that the issues raised in the above-captioned matter may be economically and efficiently  
13 settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter  
14 19.146 of the Revised Code of Washington (RCW) and RCW 34.05.060 of the Administrative  
15 Procedure Act based on the following:

**AGREEMENT AND ORDER**

16 The Department of Financial Institutions, Division of Consumer Services (Department) and  
17 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges  
18 No. C-10-294-11-SC01(Statement of Charges), entered July 26, 2011, (copy attached hereto).  
19 Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of  
20 the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this  
21 Consent Order and further agree that the issues raised in the above-captioned matter may be  
22 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent  
23

24 CONSENT ORDER  
C-10-294-13-CO01  
Premier Lending Group, LLC  
TJ Gallo

1

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

1 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the  
2 Statement of Charges in consideration of the terms of this Consent Order.

3 Based upon the foregoing:

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

6 **B. Waiver of Hearing and of Further Review by Director.** It is AGREED that  
7 Respondents have been informed of the right to a hearing before an administrative law judge, and  
8 hereby waive their right to a hearing and any and all administrative and judicial review of the issues  
9 raised in this matter, or of the resolution reached herein. It is further AGREED and acknowledged  
10 that Respondents presently have pending before the Director a petition for reconsideration of an  
11 initial order of default entered in this case. Accordingly, Respondents, by the signatures below,  
12 withdraw their petition to the Director and their appeal to the Office of Administrative Hearings.

13 **C. No Admission of Liability.** It is AGREED that Respondents do not admit to any  
14 wrongdoing by entry of this Consent Order.

15 **D. Agreed Compliance Reviews.** It is AGREED that should Respondent Premier ever apply  
16 for and obtain a license from the Department under either the Consumer Loan Act, (31.04 RCW) or  
17 Mortgage Broker Practices Act (19.146 RCW), Respondent Premier will be subject to an annual  
18 compliance review for or a period of two years from the date of issuance of the license. It is further  
19 AGREED that Respondent Premier shall pay all associated expenses incurred by the Department for  
20 said compliance reviews.

21 **E. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of  
22 \$25,400. \$17,792 of this fine shall be paid to the Department upon entry of this Consent Order in the  
23 form of a cashier's check made payable to the "Washington State Treasurer."

1           **F. Confession of Judgment for Fine.** It is AGREED that the remaining \$7,608 of the fine  
2 shall be secured by a Confession of Judgment which shall be signed and dated by Respondents and  
3 provided to the Department with this Consent Order. It is further AGREED that that the Department  
4 will not file said Confession of Judgment with any court unless and until Respondents fail to pay the  
5 \$7,608 within 180 days of the date of this Consent Order. It is further AGREED that no interest shall  
6 accrue prior to the due date unless the fine is not timely paid.

7           **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an  
8 investigation fee of \$2,208 in the form of a cashier's check made payable to the "Washington State  
9 Treasurer" upon entry of this Consent Order. The fine amount of \$17,792 and the investigation fee  
10 may be paid together in the form of a single cashier's check in the amount of \$20,000 made payable  
11 to the "Washington State Treasurer."

12           **H. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
13 consent of any person or entity not a party to this Consent Order to take any action concerning their  
14 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
15 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,  
16 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

17           **I. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
18 warranted that they have the full power and right to execute this Consent Order on behalf of the  
19 parties represented.

20           **J. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to  
21 abide by the terms and conditions of this Consent Order may result in further legal action by the  
22 Director, which may include license revocation and additional fines and fees. In the event of such  
23

1 legal action, Respondents may also be responsible to reimburse the Director for the costs incurred in  
2 pursuing such action, including but not limited to, attorney fees.

3 **K. Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily  
4 entered into this Consent Order, which is effective when signed by the Director's designee.

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

7

**RESPONDENTS:**

8

Premier Lending Group, Inc.

9

By:

[Redacted Signature]

10

TJ Gallo

3-6-2013  
Date

11

Owner and Designated Broker

12

[Redacted Signature]

3-6-2013  
Date

13

TJ Gallo

Individually

14

Approved for Entry as to Form:

15

[Redacted Signature]

2/28/13  
Date

16

Jason E. Anderson, WSBA #32232  
Attorney for Premier Lending Group, Inc.

17

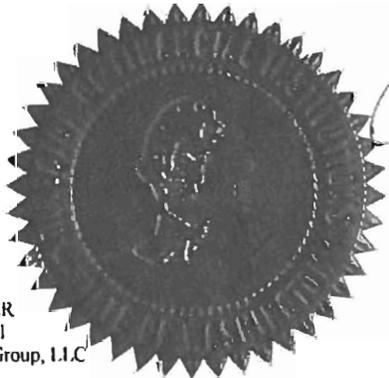
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DO NOT WRITE BELOW THIS LINE

19

THIS ORDER ENTERED THIS 14<sup>th</sup> DAY OF March, 2013.

20



[Redacted Signature]

21

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

22

23

24

CONSENT ORDER  
C-10-294-13-C001  
Premier Lending Group, I.I.C  
TJ Gallo

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

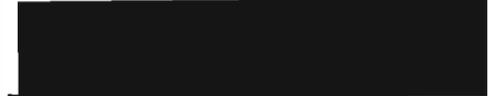
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Presented by:



Steven C. Sherman  
Financial Legal Examiner Supervisor

Approved by:



Charles E. Clark  
Enforcement Chief

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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:  
  
PREMIER LENDING GROUP, LLC, and  
TJ GALLO, Owner and Designated Broker,  
  
Respondents.

No. C-10-294-11-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO PROHIBIT FROM INDUSTRY  
FOR FIVE YEARS, IMPOSE FINE, AND  
COLLECT INVESTIGATION FEE

**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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

A. **Premier Lending Group, LLC (Premier)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on or about August 18, 2003, and continued to be licensed until its license expired on December 31, 2010.

B. **TJ Gallo (Gallo)** is Owner and Designated Broker of Respondent Premier.  
Respondent Gallo was named Designated Broker of Respondent Premier on or about August 18,

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<sup>1</sup> RCW 19.146 (2006)

1 2003, and continued to be Designated Broker until Respondent Premier's mortgage broker license  
2 expired on December 31, 2010.

3 **1.2 Examination.** From about June 7, 2010, to June 17, 2010, the Department examined the  
4 books, records, and business practices of Respondents for the period of May 1, 2008, through May  
5 31, 2010. The Department examined 85 residential mortgage loan files and 12 loan modification  
6 files.

7 **1.3 Advertising Violations.** The Department reviewed 14 advertisements from the examination  
8 period and found the following violations of the Act:

9 **A. Improper Disclosure of Annual Percentage Rate.** In all 14 advertisements,  
10 Respondents disclosed the Annual Percentage Rate (APR) in a font that was smaller than other  
11 disclosed interest rates.

12 **B. Deceptive Statements with Regards to Advertised Rates.** In 12 of the  
13 advertisements, Respondents advertised a discounted rate, but did not conspicuously disclose the cost  
14 of the discount. On the advertisements, the discounted interest rates were prominently displayed in  
15 large font at the center of the page, but the costs of the discounts were disclosed in small font at the  
16 bottom of the page.

17 **C. Improper Disclosure of Loan Source Information.** In all 14 advertisements,  
18 Respondents included information about a borrower's current loan in the advertisement, but did not  
19 disclose the source of the borrower's information. Additionally, the mandatory statement that  
20 Respondents were not affiliated with the borrower's current lender was in a smaller font than the rest  
21 of the information in the advertisement.

1           **D. Failure to Disclose Additional Credit Terms.** In all 14 advertisements, Respondents  
2 included periods of repayment and the amount of a finance charge (discount points), but did not  
3 disclose the terms of repayment and amount of any down payment.

4           **E. Advertising Third-Party Services as “Free.”** In two advertisements, Respondent’s  
5 advertised a “free home appraisal.”

6           **F. Improperly Advertising Variable Interest Rates.** In the same two advertisements  
7 referenced in 1.3 E, Respondents advertised adjustable rate mortgages but did not state each simple  
8 annual rate of interest that would apply and the period of time each simple annual rate of interest  
9 would apply. Additionally, Respondents used the word “fixed” to refer to rates without first using  
10 the phrase “Adjustable-Rate Mortgage,” “Variable-Rate Mortgage,” or “ARM.”

11 **1.4 Failure to Properly Maintain Books and Records.** Respondents used various  
12 advertisements during the period of May 1, 2008, to September 3, 2009, but Respondents did not  
13 retain any advertising records for that period. Additionally, Respondents were unable to provide four  
14 specific loan files which had been requested by the Department for review.

15 **1.5 Failure to Maintain Surety Bond.** On or about March 16, 2010, the Department received  
16 notice from Respondents’ surety bond issuer that Respondents’ surety bond would be cancelled  
17 effective April 21, 2010. On or about April 8, 2010, the Department notified Respondent Gallo by  
18 voicemail and email that a replacement bond would have to be filed on or before April 21, 2010, or  
19 Respondents would have to cease doing business. No replacement bond was filed by that date. On  
20 or about May 25, 2010, Respondent Gallo contacted the Department and advised that the replacement  
21 surety bond he had been seeking had become unavailable. Respondent Gallo asked what could  
22 happen if he did not file a replacement bond, and was reminded that Respondents could not lawfully  
23 conduct business without a surety bond and could receive a fine of up to \$100 per day for each

1 residential mortgage loan file worked on and could face license revocation. Respondent Gallo  
2 acknowledged these potential sanctions, but no surety bond was filed and Respondents originated or  
3 closed at least 17 residential mortgage loans without a surety bond.

4 **1.6 Unlicensed Loan Originator Activity.** Respondents permitted at least 10 unlicensed loan  
5 originators to assist borrowers in obtaining residential mortgage loans in at least 23 transactions.  
6 Respondents collected at least \$104,546.54 in fees at the closing of these transactions.

7 **1.7 Failure to Provide a Written Explanation for Increased Fees.** In at least four loans,  
8 Respondents did not provide a written explanation to the borrower for an increase in fees paid to  
9 Respondents.

10 **1.8 Failure to Provide Accurate Truth-in-Lending Disclosures.** In at least 11 loans,  
11 Respondents delivered incomplete and inaccurate TIL disclosures in which Respondents did not mark  
12 the box identifying a variable rate feature, did not complete the bottom section of the TIL disclosure  
13 identifying the existence of a prepayment penalty, security interest, assumption policy, and late  
14 payment fee, or did not to provide an accurate payment stream for a variable rate mortgage.

15 **1.9 Failure to Disclose Fees Inuring to Respondents' Benefit.** In at least 46 loans,  
16 Respondents did not disclose in writing within three business days of application all fees which  
17 would be paid to Respondents.

18 **1.10 Failure to Timely Provide Rate Lock-in Disclosures.** In at least seven loans, Respondents  
19 did not provide a complete rate lock-in disclosure within three days of application.

20 **1.11 Failure to Timely Provide Complete Rate Lock-in Agreements.** In at least 55 loans,  
21 Respondents did not provide complete rate lock-in agreements within three business days of locking  
22 in the rate.

1 **1.12 Failure to Display Loan Originator License Numbers.** In at least 59 loans, Respondents’  
2 loan originators did not display their loan originator license numbers on residential mortgage loan  
3 applications.

4 **1.13 Failure to Maintain Funds in Trust.** At the time of initial licensure, Respondent Gallo  
5 signed and submitted to the Department a sworn statement entitled “Mortgage Broker Trust Monies  
6 Alternative Certificate of Compliance” which contained the following language:

7 I, the undersigned, designated broker of the above listed entity, an applicant for  
8 licensing under chapter 19.146 RCW, The Mortgage Broker Practices Act (the  
9 “Act”), certify that I have read and understand RCW 19.146.050 and WAC 208-  
10 660-08010 through -08040, containing the requirements for the management of  
11 borrowers’ funds. I realize that any violation of this section of the Act is a Class  
12 C Felony.

13 I further warrant that the above company and its principals, mortgage brokers,  
14 employees, loan originators, and independent contractors will not, at any time, up  
15 to and including the closing of a loan and disbursement of any monies associated  
16 with the loan, accept monies from a borrower, or from a third-party (e.g., an  
17 escrow agent) on behalf of a borrower, for the purposes of payment for services  
18 (e.g., an appraisal or credit report) provided by third parties.

19 In at least eight of the loans reviewed, however, Respondents received payment for credit report fees  
20 at closing. Respondents did not have a trust account at the time and did not deposit the payments for  
21 third-party services into a trust account.

22 **1.14 On-Going Investigation.** The Department’s investigation into the alleged violations of the  
23 Act by Respondents continues to date.

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

### **2.1 Requirements to Comply with Advertising Provisions.**

25 **A.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
26 apparent violation of RCW 19.146.0201(2) and (10) and WAC 208-660-440(4) for advertising a rate

1 of interest without conspicuously disclosing the annual percentage rate implied by such rate of  
2 interest.

3 **B.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
4 apparent violation of RCW 19.146.0201(2) and (7) and WAC 208-660-500(3)(o) for making a false  
5 or deceptive statement or representation with regard to the rates, points, or other financing terms or  
6 conditions for a residential mortgage loan.

7 **C.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
8 apparent violation of RCW 19.146.0201(2) and WAC 208-660-440(10)(a), (b), and (c) for using a  
9 borrower's current loan information in an advertisement without disclosing the name of the source of  
10 the information and without including a statement that Respondents were not affiliated with the  
11 borrower's lender; both in the same size type font as the rest of the information in the advertisement.

12 **D.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
13 apparent violation of RCW 19.146.0201(2), (7), and (11)<sup>2</sup> for including periods of repayment and  
14 the amount of a finance charge (discount points) in an advertisement, but failing to disclose the  
15 terms of repayment and amount of any down payment

16 **E.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
17 apparent violation of RCW 19.146.0201(2) and WAC 208-660-440(3) for advertising third-party  
18 services as "free."

19 **F.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
20 apparent violation of RCW 19.146.0201(2), (7), and (11)<sup>3</sup> for advertising adjustable rate mortgages  
21 but failing to state each simple annual rate of interest that would apply and the period of time each  
22

23 <sup>2</sup> Regulation Z, 12 CFR §226.24(d)(1) and (2).

24 <sup>3</sup> Regulation Z, 12 CFR §226.24(f)(2)(i)(A) and (B) and 226.24(i)(1)(i)(A).

1 simple annual rate of interest would apply, and for using the word “fixed” to refer to rates without  
2 first using the phrase “Adjustable-Rate Mortgage,” “Variable-Rate Mortgage,” or “ARM.”

3 **2.2 Requirement to Properly Maintain Books and Records.** Based on the Factual Allegations  
4 set forth in Section I above, Respondents are in apparent violation of RCW 19.146.060(2) and WAC  
5 208-660-450(1)(a) and (b) for failing to properly retain books and records.

6 **2.3 Requirement to Maintain Surety Bond.** Based on the Factual Allegations set forth in  
7 Section I above, Respondents are in apparent violation of RCW 19.146.0201(2), RCW  
8 19.146.205(6)(a), and WAC 208-660-175(1)(a) and (4) for failing to maintain a surety bond.

9 **2.4 Requirement to Ensure that all Loan Originators are Licensed.** Based on the Factual  
10 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
11 19.146.0201(2) and (3), RCW 19.146.200(1), and WAC 208-660-155(1) for failing to ensure that all  
12 their loan originators were properly licensed by the Department before assisting borrowers with  
13 residential mortgage loans.

14 **2.5 Requirement to Provide Written Explanation for Increased Fees.** Based on the Factual  
15 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
16 19.146.0201(2), (3), (5), (13), and (15), and RCW 19.146.030(4)(a) and (b) for failing to provide a  
17 written explanation to borrowers for an increase in fees paid to Respondents.

18 **2.6 Requirement to Provide Accurate Truth-in-Lending Disclosures.** Based on the Factual  
19 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
20 19.146.0201(2), (5), (7), (11)<sup>4</sup>, and (15) and RCW 19.146.030(1) and (2) for failing to provide  
21 accurate Truth-in-Lending Disclosures.

22  
23  

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<sup>4</sup> Regulation Z, 12 CFR §226.18(g), (i), (k), (l), (m), and (q).

1 **2.7 Requirement to Disclose Fees Inuring to Respondent's Benefit.** Based on the Factual  
2 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
3 19.146.0201(2), (3), (5), (13), and (15) and RCW 19.146.030(1) for failing to disclose all fees inuring  
4 to Respondent's benefit within three business days of receiving a borrower's application.

5 **2.8 Requirement to Timely Provide Rate Lock-in Disclosures.** Based on the Factual  
6 Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
7 19.146.0201(2), RCW 19.146.030(2)(c), and WAC 208-660-430(7) for failing to timely provide rate  
8 lock-in disclosures.

9 **2.9 Requirement to Timely Provide Complete Rate Lock-in Agreements.** Based on the  
10 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
11 19.146.0201(2), (5), and (15) and RCW 19.146.030(2)(c) and (e) and (3) for failing to timely provide  
12 complete rate lock-in agreements.

13 **2.10 Requirement to Display Loan Originator License Numbers.** Based on the Factual  
14 Allegations set forth in Section I above, Respondents are in apparent violation of WAC 208-660-  
15 350(26) for failing to display loan originator license numbers on residential mortgage loan  
16 applications.

17 **2.11 Requirement to Maintain Funds in Trust.** Based on the Factual Allegations set forth in  
18 Section I above, Respondents are in apparent violation of RCW 19.146.050 for failing to deposit  
19 payment for third-party services into a trust account.

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

21 **3.1 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed  
22 mortgage broker is liable for any conduct violating the Act by the designated broker or a loan  
23 originator while employed or engaged by the licensed mortgage broker.

1 **3.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(4), every licensed  
2 mortgage broker must at all times have a designate broker responsible for all activities of the  
3 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or  
4 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,  
5 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or  
6 owner directs or instructs the conduct, or with knowledge of the specific conduct approves or allows  
7 the conduct; or the designated broker, principal, or owner who has supervisory authority over the  
8 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known  
9 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take  
10 reasonable remedial action.

11 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5), the Director  
12 may issue orders removing from office or prohibiting from participation in the conduct of the affairs  
13 of a licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any  
14 licensed mortgage broker or any person subject to licensing under the Act for any violation of RCW  
15 19.146.0201(1) through (9) or (13), RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200,  
16 or RCW 19.146.265.

17 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e), the Director may impose a fine  
18 for any violation of the Act.

19 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-  
20 550, the Department may collect the costs of investigation. The investigation charge will be calculated  
21 at the rate of \$48 per hour that each examiner devoted to the investigation.

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

Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, 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 19.146.220, RCW 19.146.221, and RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

**4.1** Respondents Premier Lending Group, LLC and TJ Gallo be prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five years.

**4.2** Respondents Premier Lending Group, LLC and TJ Gallo jointly and severally pay a fine which as of the date of this Statement of Charges totals \$150,000.

**4.3** Respondents Premier Lending Group, LLC and TJ Gallo jointly and severally pay an investigation fee which as of the date of this Statement of Charges totals \$2,208.

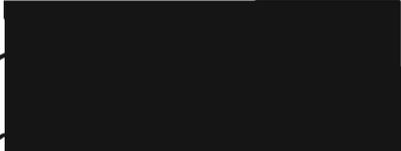
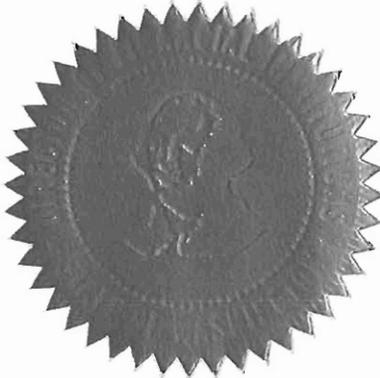
**4.4** Respondents Premier Lending Group, LLC and TJ Gallo maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondents' mortgage broker business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

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1 **V. AUTHORITY AND PROCEDURE**

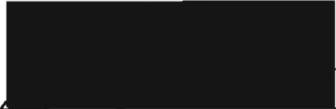
2 This Statement of Charges and Notice of Intention to Enter an Order to Prohibit from  
3 Industry, Impose Fine, and Collect Investigation Fee (Statement of Charges) is entered pursuant to  
4 the provisions of RCW 19.146.220, RCW 221, RCW 19.146.223, and RCW 19.146.230, and is  
5 subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents  
6 may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO  
7 DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

8  
9 Dated this 21<sup>st</sup> day of July, 2011



DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

14 Presented by:



15  
16 STEVEN C. SHERMAN  
17 Financial Legal Examiner

18 Approved by:



19  
20 JAMES R. BRUSSELBACK  
21 Enforcement Chief