

ORDER SUMMARY – Case Number: C-07-505

Name(s): Audrey R. Gridler

Order Number: C-07-505-08-CO01

Effective Date: April 5, 2009

License Number: _____
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: n/a

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

Investigation Costs	\$	Due:	Paid <input type="checkbox"/> Y <input 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	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

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

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

NO. C-07-505-08-CO01

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DMI, INC. dba DIRECT MORTGAGE; KARL R.
AGUILERA, President, Designated Broker, and
Owner; and AUDREY R. GRIDLER, Vice-
President and Owner,

CONSENT ORDER
AUDREY R. GRIDLER

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Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, Audrey R. Gridler (hereinafter Respondent Gridler), and finding that the issues raised in the 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 Gridler have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-07-505-07-SC01 (Statement of Charges), entered February 5, 2008, (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 Gridler hereby agree to the Department's entry of this Consent Order and further agree 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 Statement of Charges. Respondent Gridler is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

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CONSENT ORDER
C-07-505-08-CO01
Audrey P. Gridler

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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 Gridler has been informed of the right to a
4 hearing before an administrative law judge, and that she waived her right to a hearing and any and all
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.

6 C. **Ownership.** Respondent Gridler has not participated in the business of DMI, Inc. dba Direct
7 Mortgage (Respondent DMI) since December 11, 2003. Respondent Gridler provided the Department with
8 Articles of Amendment dated December 19, 1997, filed with the Secretary of State of Idaho listing Respondent
9 Gridler as Vice President of Respondent DMI. Respondent Gridler also provided the Department with Articles of
10 Amendment filed with the Secretary of State of the state of Idaho dated December 11, 2003, stating that
11 Respondent Gridler was no longer an officer of Respondent DMI. Respondent Gridler further represents that
12 pursuant to a settlement agreement entered into with Respondent Karl R. Aguilera (Respondent Aguilera),
13 Respondent Gridler relinquished all of her shares of Respondent DMI to Respondent DMI and/or Respondent
14 Aguilera prior to the dates of the events upon which the Statement of Charges is based.

15 D. **Complete Cooperation with the Department and the Office of the Attorney General.** It is
16 AGREED that Respondent Gridler, if requested, shall provide the Department and the Office of the Attorney
17 General any and all information known to her relating in any manner to Respondent DMI and Respondent
18 Aguilera. It is further AGREED that Respondent Gridler shall testify fully, truthfully, and completely at any
19 proceeding related to the Department's investigation and enforcement action related to this matter.

20 E. **No Fines, Investigative Costs, or Prohibitions.** It is AGREED that Respondent Gridler will not be
21 subject to any fines, investigations costs, or prohibitions related to or resulting from this matter.

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

3 **G. Authority to Execute Order.** It is AGREED that the undersigned Respondent Gridler has
4 represented and warranted that she has the full power and right to execute this Consent Order.

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

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

9 **RESPONDENT:**

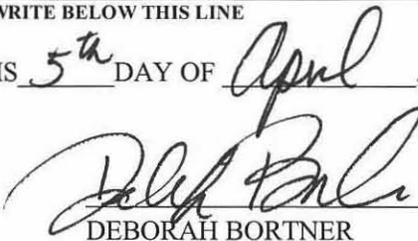
10 **Audrey P. Gridler**

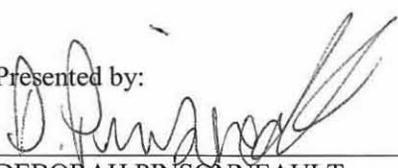
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12 Audrey Gridler
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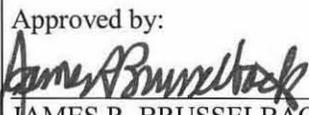
11 1/13/2010
12 Date

14 **DO NOT WRITE BELOW THIS LINE**

14 THIS ORDER ENTERED THIS 5th DAY OF April, 2009.

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16 
17 DEBORAH BORTNER
18 Director
19 Division of Consumer Services
20 Department of Financial Institutions

18 Presented by:
19 
20 DEBORAH PINSONNEAULT
21 Financial Legal Examiner

22 Approved by:
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24 JAMES R. BRUSSELBACK
25 Enforcement Chief



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

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

NO. C-07-505-07-SC01

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DMI, INC. dba DIRECT MORTGAGE;
KARL R. AGUILERA, President, Owner, and
Designated Broker; and AUDREY P. GRIDLER,
Vice-President and Owner,

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

Respondents.

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 the 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. **DMI, Inc. dba Direct Mortgage (DMI)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on or about March 1, 2000, and has continued to be licensed to date. Respondent DMI initially was licensed to conduct the business of a mortgage broker at the following locations:

617 Midland Blvd., Nampa, ID 83651 (main office)
5371 Franklin Rd., Boise, ID 83705 (branch office)

¹ RCW 19.146 (1994).

1 On or about February 6, 2003, the Department received a request to change the branch office location
2 from 5371 Franklin Rd., Boise, ID to 1010 South Allante Place, Suite 110, Boise, ID 83709.

3 On or about December 5, 2005, the Department received a request to change the main office location
4 from 617 Midland Blvd., Nampa, ID to 1003 South Allante Place, Boise, ID 83709.

5 B. **Karl R. Aguilera (Aguilera)** is President, Designated Broker, and 50 percent Owner of
6 Respondent DMI. Respondent Aguilera is listed as the Designated Broker, President, and Owner of
7 Respondent DMI in the application. Respondent Aguilera was named Designated Broker of Respondent DMI
8 on or about March 1, 2000, and has continued as Designated Broker to date.

9 C. **Audrey P. Gridler (Gridler)** is Vice-President and 50 percent Owner of Respondent DMI.

10 **1.2 Failure to Pay Annual Assessment.** An annual assessment fee for each license is due to the
11 Department no later than the last business day of June for the year then ended. To date, the Department has not
12 received the following annual assessment due from Respondents, totaling \$352:

13 Payment of the annual assessment of \$352 for the year ended June 2007 was due to the Department
14 no later than the last business day of June 2007.

15 **1.3 Failure to Pay Branch Annual Assessments.** An annual assessment fee for each branch office
16 certificate is due to the Department no later than the last business day of March for the year then ended. To
17 date, the Department has not received the following annual assessments due from Respondents, totaling
18 \$1,014.86:

19 A. Payment of the branch annual assessment of \$484 for the year ended March 2007 was due to the
20 Department no later than the last business day of March 2007.

21 B. Payment of the branch annual assessment of \$530.86 for the year ended March 2006 was due to
22 the Department no later than the last business day of March 2006.

23 **1.4 Failure to Maintain Bond.** On November 28, 2006, the Department received notice from Indemnity
24 Insurance Company of North America that Respondent DMI's surety bond would be cancelled, effective
25 December 26, 2006. To date, Respondents have failed to notify the Department of the cancellation of the surety
bond and have failed to provide the required surety bond or an approved alternative.

1 **1.5 Failure to Respond to Directive.** On December 14, 2006, the Department served a directive on
2 Respondents by certified mail. The directive required that Respondents reinstate or replace the surety bond
3 within 10 days prior to the date of cancellation. Respondents failed to comply with this directive.

4 **1.6 Failure to Notify Department of Significant Developments.** As stated in paragraph 1.4, to date,
5 Respondents have not notified the Department of the cancellation of Respondent DMI's surety bond.

6 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
7 Respondents continues to date.

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

9 **2.1 Requirement to Maintain Surety Bond.** Based on the Factual Allegations set forth in Section I
10 above, Respondents are in apparent violation of RCW 19.146.205(4)(a) and WAC 208-660-080(1) for failing to
11 file and maintain a surety bond or approved alternative with the Department.

12 **2.2 Requirement to Pay Annual Assessments.** Based on the Factual Allegations set forth in Section I
13 above, Respondents are in apparent violation of RCW 19.146.228(1), WAC 208-660-060(3) and WAC 208-
14 660-061 for failing to pay to the Director an annual assessment fee no later than the last business day of the
15 month in which the anniversary date of the issuance of the mortgage broker's license occurs.

16 **2.3 Failure to Comply with Directive.** Based on the Factual Allegations set for in Section I above,
17 Respondents are in apparent violation of RCW 19.146.235 for failing to comply with a directive issued by the
18 Department.

19 **2.4 Requirement to Notify Department of Significant Developments.** Based on the Factual Allegations
20 set forth in Section I above, Respondents are in apparent violation of WAC 208-660-150(1)(e) for failing to
21 notify the Director in writing within thirty days after receipt of notification of cancellation of the licensee's
22 surety bond.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2)(b)(ii) and (iii), and WAC 208-660-
3 160, the Director may revoke a license for failure to pay a fee required by the Director or maintain the required
4 bond or failure to comply with any directive or order of the Director.

5 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(c)(ii) and WAC 208-660-165, the Director
6 may impose fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act
7 for failure to comply with a directive or order of the Director.

8 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e)(iv), the Director may
9 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
10 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
11 or any person subject to licensing under the Act for failure to comply with a directive or order of the Director.

12 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520 and
13 WAC 208-660-550(5), upon completion of any investigation of the books and records of a licensee or other
14 person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing
15 to cover the cost of the investigation. The investigation charge will be calculated at the rate of forty-eight
16 dollars (\$48) per hour that each staff person devoted to the investigation.²

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

18 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
19 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
20 for the entry of an Order under RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223. Therefore, it is the
21 Director's intention to ORDER that:

22 **4.1** Respondent DMI, Inc.'s license to conduct the business of a mortgage broker be revoked; and

23 **4.2** Respondents DMI, Inc., Audrey P. Gridler, and Karl R. Aguilera jointly and severally pay the cumulative
24 delinquent main office Annual Assessments due through June 30, 2007, totaling \$352, as calculated in
25 paragraph 1.2.; and

² RCW 19.146 (2006).

1 **4.3** Respondents DMI, Inc., Audrey P. Gridler, and Karl R. Aguilera jointly and severally pay the cumulative
2 delinquent branch office Annual Assessments due through March 31, 2007 totaling \$1,014.86, as
calculated in paragraph 1.3; and

3 **4.4** Respondents DMI, Inc., Audrey P. Gridler, and Karl R. Aguilera jointly and severally pay a fine of \$8,250;
4 and

5 **4.5** Respondent DMI Inc. be prohibited from participation in the conduct of the affairs of any mortgage broker
6 subject to licensure by the Director, in any manner, for a period of five (5) years; and

7 **4.6** Respondents Karl R. Aguilera and Audrey P. Gridler be prohibited from participation in the conduct of the
8 affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5)
9 years; and

10 **4.7** Respondents DMI, Inc., Audrey P. Gridler, and Karl R. Aguilera jointly and severally pay an investigation
11 fee of at least \$806 which is the amount of the investigation to date calculated at \$48 per hour of the
12 investigation.

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V. AUTHORITY AND PROCEDURE

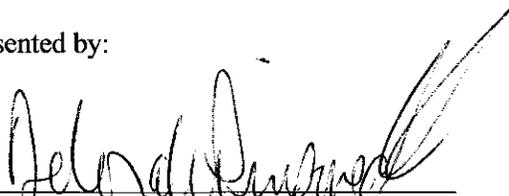
This Statement of Charges and Notice of Intention to Enter an Order To Revoke License, Collect Annual Assessments, Impose Fine, Prohibit From Industry, And Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 5th day of February, 2008.



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



DEBORAH PINSONNEAULT
Financial Legal Examiner



Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief