

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
2 DIVISION OF FINANCE AND CORPORATE SECURITIES  
3 FINANCE SECTION  
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
5 STATE OF OREGON

6 In the Matter of:

7 Ridge Mortgage Services Co.  
8 (a dba of William J. Ridge)

9 ORDER NO. O-99-0019

10 ORDER TO CEASE AND DESIST  
11 ORDER TO ASSESS CIVIL PENALTIES  
12 CONSENT TO ENTRY OF ORDER

13 WHEREAS the Director of the Department of Consumer and Business Services has  
14 conducted an investigation of RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J.  
15 RIDGE), and has determined that RIDGE MORTGAGE SERVICES CO. (a dba of  
16 WILLIAM J. RIDGE) engaged in activities constituting violations of ORS 59.840 through  
17 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

18 WHEREAS RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE)  
19 wishes to resolve and settle this matter with the Director;

20 NOW THEREFORE, as evidenced by the authorized signature(s) subscribed on this  
21 Order, RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) hereby  
22 CONSENTS to entry of this order upon the Director's Findings of Fact and Conclusions of  
23 Law as stated hereinafter:

24 FINDINGS OF FACT

25 The Director FINDS that:

- 26 1. RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) (Herein  
27 "Respondent") can be served at 9221 SW Barbur Blvd., Portland, OR 97219.
- 28 2. Respondent was licensed as a mortgage banker/broker effective July 21, 1998. The  
company's current license expires on July 21, 1999.
3. William J. Ridge is 100 per cent owner of Respondent and is authorized to act on its  
behalf.
4. On May 10, 1999, the Division of Finance and Corporate Securities (Herein  
"Division") initiated an examination of Respondent.

1 5. During this examination, the client trust account of Respondent was reviewed.

2 6. In July of 1998, Respondent wrote the following checks on the client trust account:

3	7/24/98	Office Depot	\$44.10
4	7/29/98	Quality Office Supplies	\$171.00

5 7. In November of 1998, Respondent wrote the following checks on the client trust  
6 account:

7	11/2/98	Bill Ridge	\$100.00
8	11/3/98	Office Depot	\$39.96
9	11/6/98	Staples	\$4.35
10	11/18/98	Sprint PCS	\$70.22
	11/8/98	Wes Stutzman(paycheck)	\$250.75
	11/17/98	USPS	\$4.00

11 8. In January of 1999, Respondent wrote the following check on the client trust  
12 account:

13	1/13/99	Taxes	\$144.74
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14 9. In February of 1999, Respondent wrote the following checks on the client trust  
15 account:

16	2/3/99	4th Quarter Taxes 98	\$723.00
17	2/5/99	Oregon Dept. Of Human Resources	\$46.50
18	2/12/99	Oregon Dept. Of Revenue	\$231.82
19	2/12/99	Oregon Dept. Of Human Resources	\$46.50
	2/19/99	Oregon Dept. Of Human Resources	\$46.50
	2/26/99	Oregon Dept. Of Human Resources	\$46.50

20 10. In April of 1999, Respondent issued the following checks on the client trust account:

21	4/1/99	Oregon Dept. Of Human Resources	\$46.50
22	4/7/99	Erica Tryk	\$816.02
23	4/6/99	IRS	\$1171.63
	4/6/99	State of Oregon	\$309.77
	4/9/99	Oregon Dept. Of Human Resources	\$93.00
24	4/16/99	State of Oregon	\$422.00
	4/16/99	IRS	\$1610.00
	4/16/99	IRS	\$3889.00
25	4/16/99	Oregon Dept. Of Human Resources	\$46.50
26	4/23/99	Oregon Dept. Of Human Resources	\$46.50

27 11. In the months of July and November 1998, and January, February, and April of  
28 1999, Respondent deposited his own funds into the client trust account to cover the

1 expenses listed in paragraphs six, seven, eight, nine, and ten of this order.

2 **CONCLUSIONS OF LAW**

3 The Director **CONCLUDES** that:

4 1. Respondent violated ORS 59.935(8) by keeping or causing to be kept funds or  
5 money in a bank under the heading Clients' Trust Account which were not actual trust  
6 funds.

7 2. Respondent violated OAR 441-875-0030(3) by commingling monies received from a  
8 client for deposit into a trust account with personal funds of the licensee.

9 **ORDER**

10 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that RESPONDENT will  
11 **CEASE AND DESIST** from:

12 1. Violating any provisions of ORS 59.840 through 59.960.

13 2. Keeping or causing to be kept any funds or money in any bank under the  
14 heading Client Trust Account or any other name designating such funds or money as  
15 belonging to the clients except actual trust funds deposited by Respondent.

16 The Director **ORDERS**, pursuant to the authority of ORS 59.996, Respondent to pay  
17 the State of Oregon a Civil Penalty of \$500.00. The Director suspends payment of  
18 \$250.00 of the assessed civil penalty for a three year period. If in the period from the date  
19 of the Order to three years from the date of this Order, Respondent violates any provision  
20 of Oregon's Mortgage Lender Law, the suspended portion of the assessed civil penalty will  
21 become immediately due and payable. If no violation of Oregon's Mortgage Lender Law  
22 by Respondent occurs, in the three year period, the suspended portion of the civil penalty  
23 is waived. The date of the Order is the date the Director signs the Order.

24 The entry of this Order in no way limits further remedies which may be available to  
25 the Director under Oregon law.

26 Dated this 23 day of June, 1999 at Salem, Oregon.

27 // 28 June 1999 HJK  
28 //

1 MICHAEL GREENFIELD, DIRECTOR  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

2  
3 by 

4 R.M. NOCKLEBY, ADMINISTRATOR  
DIVISION OF FINANCE AND CORPORATE SECURITIES

5  
6 **CONSENT TO ENTRY OF ORDER**

7 I, William J. Ridge, state that I am the Owner of RIDGE MORTGAGE SERVICES CO. (a  
8 dba of WILLIAM J. RIDGE), and I am authorized to act on its behalf; that I have read the  
9 foregoing Order and that I know and fully understand the contents hereof; that RIDGE  
10 MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) has been advised of its right  
11 to a hearing; that RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE)  
12 admits the Findings of Fact contained herein, voluntarily consents to the entry of this Order  
13 without further hearing, expressly waiving any right to a hearing in this matter; that RIDGE  
14 MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) understands that the Director  
15 reserves the right to take further actions to enforce this Order or to take appropriate action  
16 upon discovery of other violations of Oregon's Mortgage Lender Law; and that RIDGE  
17 MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) will fully comply with Chapter  
18 59 of Oregon's Mortgage Lender Law and the terms of this Order.

19 I understand that this Consent Order is a public document.

20 Dated this 23 day of June, 1999.

21  
22 By William J. Ridge  
(Printed Name)

Owner  
(Office Held)

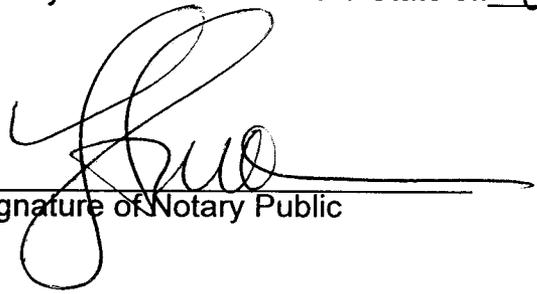
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(Signature)

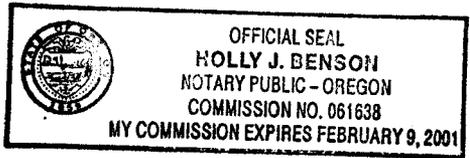
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26 **CORPORATE ACKNOWLEDGMENT**

27 There appeared before me this 23 day of June, 1999, William J. Ridge  
28 who was first duly sworn on oath, and stated that he was and is the Owner of

1 RIDGE MORTGAGE SERVICES CO. (a dba of WILLIAM J. RIDGE) and he is authorized  
2 and empowered to sign this Consent to Entry of Order on behalf of RIDGE MORTGAGE  
3 SERVICES CO. (a dba of WILLIAM J. RIDGE) and to bind RIDGE MORTGAGE  
4 SERVICES CO. (a dba of WILLIAM J. RIDGE) to the terms hereof.

5  
6 Notary Public in and for the State of: Oregon

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Signature of Notary Public 



12 My Commission expires: 2/9/01