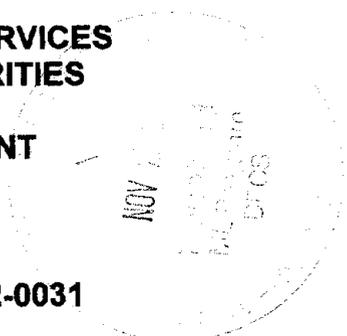


1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
 2 DIVISION OF FINANCE AND CORPORATE SECURITIES
 3 FINANCE SECTION
 4 BEFORE THE DIRECTOR OF THE DEPARTMENT
 OF CONSUMER AND BUSINESS SERVICES
 STATE OF OREGON



5 In the Matter of:

O-02-0031

6 GARRETT JOHN SYTSMA and ALL
 7 SEASONS MORTGAGE SERVICES,
 INC.,

8 Respondents.

ORDER TO CEASE AND DESIST,
 ORDER ASSESSING CIVIL PENALTIES,
 ORDER OF SUSPENSION FROM
 MORTGAGE INDUSTRY AND CONSENT
 TO ENTRY OF ORDERS

9
 10
 11 WHEREAS the Director of the Department of Consumer and Business
 12 Services ("the Director") has conducted an investigation of certain business activities
 13 conducted by Respondents Garrett John Sytsma and All Seasons Mortgage
 14 Services, Inc. ("All Seasons") and has determined that Respondents Garrett John
 15 Sytsma and All Seasons have violated provisions of the Oregon Mortgage Lender
 16 Law, ORS 59.840 to 59.980; and

17 WHEREAS the parties wish to resolve and settle these matters;

18 NOW THEREFORE, as evidenced by the authorized signatures subscribed on
 19 this Order, Respondents Garrett John Sytsma and All Seasons hereby CONSENT to
 20 entry of this Order upon the DIRECTOR'S Findings of Fact and Conclusions of Law
 21 as stated hereinafter.

22 FINDINGS OF FACT

111-03-036-001-001-2500-0000400700

23 The Director FINDS that:

- 24 1. Garrett John Sytsma is an Oregon resident residing at 18040 Fadjur
 25 Lane, Sisters, Oregon.
 26 2. By the end of February, 2000, Garrett John Sytsma had several

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 Labor and Industries Building
 350 Winter Street NE, Suite 410
 Salem, OR 97301-3881
 Telephone: (503) 378-4387



1 outstanding judgements against him for non-payment of debts.

2 3. On or about July 1, 2000, Garrett John Sytsma became the sole
3 owner/controlling person of All Seasons, an Oregon licensed mortgage banker/broker
4 whose principal place of business is 1051 NE 4th Street, Bend, Oregon. Garrett John
5 Sytsma is also a loan originator for All Seasons.

6 4. Sometime in 2001, Garrett Sytsma became vice-president of All
7 Seasons. All Seasons failed to notify the Director of the change of company officers
8 within 30 days of the change. All Seasons failed to provide the Director with the
9 name, address and occupation of Garrett Sytsma within 30 days of the date he
10 assumed the position of vice-president.

11 5. Sometime in 2001, All Seasons opened a new branch office location in
12 La Pine, Oregon and engaged in the business of residential mortgage transactions
13 from that location. All Seasons did not notify the Director in writing of its intent to
14 operate its mortgage business from a location other than its principal place of
15 business prior to opening the La Pine office.

16 6. All Seasons opened and operated the La Pine branch office before
17 providing the Director in writing with the location, telephone number, fax number,
18 name and information regarding the branch supervisor, and before paying the
19 required branch office licensing fee.

20 7. All Seasons operated the La Pine branch office before providing the
21 Director with a surety bond increasing the bond coverage for All Seasons by \$5,000.

22 8. On February 11, 2002, Garrett John Sytsma filed bankruptcy.

23 9. On or about June 27, 2002, Garrett John Sytsma, acting on behalf of All
24 Seasons, submitted an application to the Director for amendment of All Season's
25 mortgage banker/broker license. The application was submitted to add additional
26 offices and loan originators to the license. The application listed "Gary Sytsma" as the



1 branch manager and as contact person for the licensee with a title of "registered
2 agent." The application as submitted did not contain identifying information in section
3 five of the application for either Garrett Sytsma or Gary Sytsma, and did not specify
4 that Gary Sytsma was a pseudonym for Garrett John Sytsma. The title "registered
5 agent" was used because Garrett John Sytsma had transferred control of All
6 Seasons to Garrett Sytsma.

7 10. The application for amendment to All Season's license contained untrue
8 statements of fact or omitted important information including:

- 9 a. That "Gary Sytsma" is Garrett John Sytsma;
- 10 b. That Garrett John Sytsma and Garrett Sytsma are two different people;
- 11 and
- 12 c. That Garrett John Sytsma was listed with the title of "registered agent"
13 because he had transferred control of the company to Garrett Sytsma.

14 11. In June 2002, Garrett John Sytsma, through All Seasons, made
15 application for a residential mortgage loan under the name Garrett Sytsma in the
16 amount of \$600,000 with Commonwealth United Mortgage (hereafter
17 "Commonwealth United"), a division of National City Mortgage Co. located at 150
18 Scalehouse Loop, B-201, Bend, Oregon. National City Mortgage Co. is part of
19 National City Bank, an FDIC insured financial institution.

20 12. On the residential mortgage loan application, Garrett John Sytsma
21 listed his social security number as the one assigned to Garrett Sytsma instead of the
22 number assigned to him.

23 13. Garrett John Sytsma, through All Seasons, filed a financial statement
24 with Commonwealth United in support of the residential loan application for Garrett
25 John Sytsma that was inaccurate. The application indicated that he had not filed
26 bankruptcy or had civil judgements entered against him, both of which were untrue.



1 Garrett John Sytsma filed financial statements using the social security number of
2 Garrett Sytsma instead of his own.

3 CONCLUSIONS OF LAW

4 The Director **CONCLUDES** that:

5 1. All Seasons violated ORS 59.950(3) by failing to provide to the Director
6 the name, address, and occupation of new vice-president Garrett Sytsma within 30
7 days of the change.

8 2. All Seasons violated OAR 441-860-0070(1)(f) by failing to notify the
9 Director of the appointment of Garrett Sytsma as vice-president of All Seasons within
10 30 days of the change.

11 3. All Seasons violated OAR 441-860-0070(1)(i) by failing to notify the
12 Director within 30 days that Garrett John Sytsma had filed bankruptcy.

13 4. All Seasons violated OAR 441-860-0070(1)(e) by failing to notify the
14 Director within 30 days that Garrett John Sytsma had civil judgments filed against
15 him.

16 5. All Seasons violated ORS 59.950(2) by engaging in residential
17 mortgage transactions from a branch office location in La Pine, Oregon prior to
18 notifying the Director in writing of its intent to operate business from a location other
19 than its principal place of business.

20 6. All Seasons violated OAR 441-860-0030 by operating a branch office in
21 La Pine, Oregon before providing the Director in writing with the location, telephone
22 number, fax number, name and information regarding the branch supervisor and
23 paying the branch licensing fee.

24 7. All Seasons violated OAR 441-860-0090(5) by operating a branch office
25 in La Pine, Oregon before providing the Director with a surety bond increasing the
26 bond coverage for All Seasons by \$5,000.



1 8. Garrett John Sytsma violated ORS 59.930(2) by submitting the license
2 amendment application for All Seasons which omitted to state material facts
3 necessary to make the statements made, in light to the circumstances under which
4 they were made, not misleading.

5 9. Garrett John Sytsma violated ORS 59.971(1) by engaging in a
6 dishonest, fraudulent or illegal practice in connection with any business by
7 submitting, through All Seasons, a loan application to Commonwealth United
8 Mortgage intentionally listing a false social security number as his in violation of ORS
9 165.800. This was done with the intent to deceive or defraud Commonwealth United
10 regarding the existence of the bankruptcy filed by Garrett John Sytsma and other
11 derogatory information that would appear on the credit record for Garrett John
12 Sytsma.

13 10. Garrett John Sytsma and All Seasons violated ORS 59.930(3) by
14 submitting a loan application using the social security number and financial
15 information of Garrett Sytsma instead of Garrett John Sytsma to Commonwealth
16 United Mortgage with the intent to deceive or defraud. On that application, Garrett
17 John Sytsma and All Seasons provided the social security number for Garrett Sytsma
18 knowing that the social security number would be used to pull the credit report of
19 Garrett Sytsma rather than Garrett John Sytsma. Garrett John Sytsma and All
20 Seasons did this to conceal the financial position of Garrett John Sytsma in order to
21 obtain an approval from Commonwealth United when, if the correct information had
22 been provided, Commonwealth United would not likely have issued an approval.

23 11. Garrett John Sytsma and All Seasons violated ORS 59.930(3) by
24 intentionally engaging in an act that operated or would operate as a fraud or deceit
25 upon a person by providing the social security number and financial information of
26 Garrett Sytsma instead of his own to Commonwealth United.



1 **ORDER**

2 The Director, pursuant to ORS 59.885(4), **HEREBY ORDERS** that
3 Respondents Garrett John Sytsma and All Seasons, and any successor businesses
4 or corporations, shall **CEASE and DESIST** from

5 1. Engaging in any act, practice or course of business that would operate as
6 a fraud or deceit upon any person; and

7 2. Engaging in any act or conduct that would violate the Oregon Mortgage
8 Lender Law, ORS 59.840 to 59.980, or administrative rules adopted thereunder.

9 Pursuant to the authority of ORS 59.996, the **DIRECTOR** hereby **ASSESSES**
10 a **CIVIL PENALTY** in the amount of \$50,000 (fifty thousand dollars), jointly and
11 severally, against Respondents Garrett John Sytsma and All Seasons, \$30,000 (thirty
12 thousand dollars) of which is suspended so long as Respondents Garrett John
13 Sytsma and All Seasons fully comply with this **ORDER**.

14 Respondents Garrett John Sytsma and All Seasons will pay \$2,000 (two
15 thousand dollars) of the civil penalty at the time of entry of this Order, and thereafter
16 they will make monthly installments of no less than \$2,000 (two thousand dollars)
17 with the first payment to be made no later than September 10, 2003, and subsequent
18 payments made every month thereafter. Payments are due on or before the tenth
19 day of each month. The final payment will be made no later than April 10, 2004.

20 Without admitting or denying the Director's Findings of Fact or Conclusions of
21 Law, Respondent Garrett John Sytsma **CONSENTS** to the following provisions:

22 3. The Director shall suspend the mortgage banker/ broker license of
23 Respondent Garrett John Sytsma for a period of five years from the date of entry of
24 this Order.

25 4. Within thirty days of the entry of this Order, Respondent Garrett John
26 Sytsma shall transfer his ownership interest in All Seasons to a limited liability



1 company formed for the purpose of holding and maintaining ownership, possession
2 and control of the stock in All Seasons.

3 5. Respondent Garrett John Sytsma shall have no management authority
4 or control over the limited liability company (unless both of the named managers
5 resign, die, or become incompetent) and shall have no access to or authority over
6 client funds. He may retain beneficially the membership interests in the limited liability
7 company that owns All Seasons.

8 6. During the probationary period, Garrett John Sytsma shall be prohibited
9 from the activities of a mortgage banker, mortgage broker or mortgage loan originator
10 which require licensing. He may be an employee, agent or independent contractor
11 within the mortgage industry, but only to the extent that his responsibilities are clerical
12 or administrative or do not require licensing under the Oregon Mortgage Lender Law.
13 Respondent Garrett John Sytsma shall not have access to, or have any signature
14 authority concerning, business banking accounts of All Seasons that relate to or
15 concern client funds. Respondent Garrett John Sytsma is prohibited from engaging in
16 any activity or business that comes under the scope of regulation of the Director
17 pursuant to the Oregon Mortgage Lender Law, ORS 59.840 to 59.980.

18 7. The individuals designated as managers of the company that owns the
19 beneficial ownership in All Seasons shall be Oregon licensed mortgage bankers or
20 mortgage brokers with experience in the mortgage lending business. If a manager
21 leaves the employ of the company or takes on duties other than those of manager,
22 All Seasons shall notify the Director within seven days of the date of the change of
23 the name, address and occupation of the new manager. The Director shall review the
24 qualifications of any individual designated as manager and notify the company within
25 seven days if the individual is, in the opinion of the Director, unqualified.

26 Respondents Garrett John Sytsma and All Seasons **FURTHER AGREE AND**



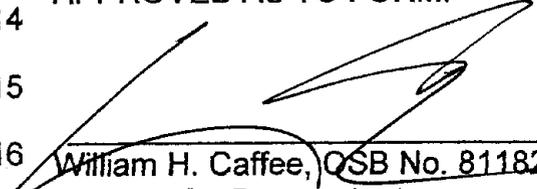
1 **CONSENT** that should the Director determine, after notice and an opportunity for a
2 hearing, that either Garrett John Sytsma or All Seasons have violated any term of this
3 Order, or any provision of the Oregon Mortgage Lender Law, or Oregon
4 Administrative Rules promulgated under the Oregon Mortgage Lender Law, the
5 suspended portion of this penalty shall be immediately due and payable and the
6 mortgage broker license of All Seasons shall be immediately revoked.

7 The entry of this Order does not limit further remedies that may be available to
8 the Director under Oregon law.

9 Dated this 5th day of December, 2003, at Salem, Oregon.

10
11 
12 _____
13 CORY STREISINGER, DIRECTOR
14 DEPARTMENT OF CONSUMER AND
15 BUSINESS SERVICES

13 APPROVED AS TO FORM:

14
15 
16 _____
17 William H. Caffee, OSB No. 81182
18 Attorney for Respondents

19 Dated: 11/21/03

18 **CONSENT TO ENTRY OF ORDER**

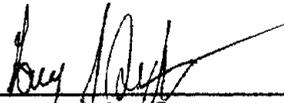
19 I, Garrett John Sytsma, state that I am a resident of the State of Oregon, that I
20 have read the foregoing Order and that I know and fully understand the contents
21 hereof; that I execute this consent as a settlement of the matter referred to in the
22 Order; that I have been advised of my right to a hearing; that I have been
23 represented by counsel in this matter; that I voluntarily consent to the entry of this
24 Order without admitting or denying the Findings of Fact or Conclusions of Law; that I
25 am voluntarily consenting without any force or duress, expressly waiving any right to
26 a hearing in this matter; that I understand that the Director reserves the right to take
further actions against me to enforce this Order or to take appropriate action upon



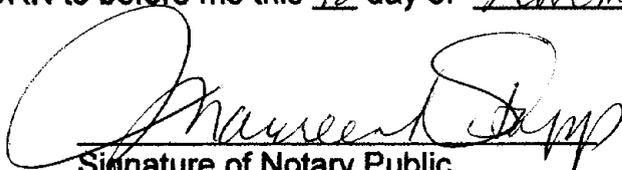
1 discovery of other violations of the Oregon Mortgage Lender Law by me; and that I
2 will fully comply with the terms and conditions stated herein. I acknowledge that the
3 failure to comply with the terms of this Order could lead to the revocation of All
4 Season's mortgage lender license.

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

6 Dated this 12 day of November, 2003.

7 
8 Garrett John Sytsma

9 SUBSCRIBED AND SWORN to before me this 12th day of November
10 2003.

11 
12 Signature of Notary Public

13 Maureen L. Stapp
14 (Printed Name of Notary Public)



15 Notary Public
16 for the State of: Oregon

17 My commission expires: 12/9/2005

18 **CORPORATE CONSENT TO ENTRY OF ORDER**

19 [for Garrett John Sytsma on behalf of All Seasons
20 Mortgage Services, Inc. ("All Seasons")]

21 I, Garrett John Sytsma, state that I am an officer of All Seasons and I am
22 authorized to act on its behalf; that I have read the foregoing Order and that I know
23 and fully understand the contents hereof; that I and this entity have been advised of
24 the right to a hearing and of the right to be represented by counsel in this matter; that
25 All Seasons voluntarily consents to the entry of this Order without admitting or
26 denying the Findings of Fact or Conclusions of Law; that I voluntarily consent without

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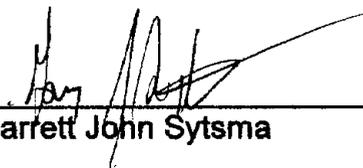
1 any force or duress, expressly waiving any right to a hearing in this matter; that I
2 understand that the Director reserves the right to take further actions against All
3 Seasons to enforce this Order or to take appropriate action upon discovery of other
4 violations of the Oregon Mortgage Lender Law by the company; and that All Seasons
5 will fully comply with the terms and conditions stated herein.

6 All Seasons further assures the Director that neither All Seasons nor its
7 officers, directors, employees or agents will effect mortgage lender transactions in
8 Oregon unless such activities are in full compliance with Chapter 59 of the Oregon
9 Revised Statutes. All Seasons acknowledges that failure to comply with the terms of
10 this Order could lead to revocation of All Season's mortgage lender license.

11 All Seasons understands that this Consent Order is a public document.

12 Dated this 12 day of November, 2003.

13 ALL SEASONS MORTGAGE SERVICES, INC.

14
15 By 
Garrett John Sytsma

16
17 _____
(Office Held)

18 **CORPORATE ACKNOWLEDGMENT**

19 There appeared before me this 12 day of November, 2003, Garrett John
20 Sytsma, who was first duly sworn on oath, and stated that he is or was

21 _____ (office held) of All Seasons Mortgage Services, Inc., and that he
22 is authorized and empowered to sign this Consent to Entry of Order on behalf of All

23 ////

24 ////

25 ////

26 ////

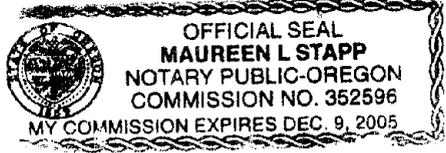
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1 Seasons Mortgage Services, Inc., and to bind All Seasons Mortgage Services, Inc. to
2 the terms hereof.

Maureen L Stapp
Signature of Notary Public

Maureen L Stapp
(Printed Name of Notary Public)



Notary Public
for the State of: Oregon

My commission expires: 12/9/2005

9 ////
10 ////
11 ////

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26