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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
7 **OF CONSUMER AND BUSINESS SERVICES**

8 **In the Matter of:**

M-10-0056

9 **West Horizon Financial, Inc.,**

ORDER TO CEASE AND DESIST,
ASSESSING CIVIL PENALTIES,
ENTERED BY CONSENT

10 **Respondent**

11
12 **WHEREAS** the Director (the “Director”) of the Department of Consumer & Business
13 Services for the State of Oregon (the “Department”) conducted an investigation into the activities
14 of **West Horizon Financial Inc., ML-3460**, (the “Respondent”) and determined that Respondent
15 engaged in activities constituting violations of ORS 86A.095 et seq. (hereinafter cited as the
16 Oregon Mortgage Lender Law); and

17 **WHEREAS** Respondent wishes to resolve this matter with the Director,

18 **NOW THEREFORE**, as evidenced by the authorized signature subscribed on this order,
19 Respondent hereby **CONSENTS** to entry of this order upon the Director’s Findings of Facts and
20 Conclusions of Law as stated hereinafter:

21 **FINDINGS OF FACT**

22 The Director **FINDS** that:

23 1. Respondent is a Washington corporation with a principal location of 821 Kirkland
24 Avenue, Suite 100, Kirkland, WA 98033. Respondent first obtained an Oregon residential
25 mortgage lending license from the Department’s Division of Finance and Corporate Securities
26 (the “Division”) on November 1, 2004 and has continually renewed the license since that time.





1 2. The Division requires that all firms holding an Oregon residential mortgage lending
2 license file an annual report of business conducted each year. The report contains general
3 information on the type, number and size of loans brokered by the firm that year. In 2007 and
4 2008 Respondent failed to file its report in a timely manner. In both cases Respondent
5 eventually filed the report, paid a fine, and entered into a Consent Order with the Division
6 regarding the failure.

7 3. On November 7, 2007, Respondents filed an application to renew its Oregon residential
8 mortgage lending license. Respondent stated in writing that Harry Friebe {"Friebe"} was the
9 CEO and contact person for the firm, and owned 50% of the firm. The application also stated
10 that Tryg Satterlee {"Satterlee"} was the President, Experienced Person and owner of the
11 remaining 50%.

12 4. Based on Respondent's application for licensure, On November 19, 2007, the Division
13 issued an Oregon residential mortgage lending license, License No. ML-3460, which was valid
14 through November 19, 2009.

15 5. On or about May 27, 2009 a Division employee contacted Respondent concerning a
16 licensing and reporting matter, and asked to speak with Friebe or Satterlee. The Division
17 employee was told that Friebe was no longer connected with Respondent.

18 6. During that phone conversation, the Division employee informed Respondent, through
19 Satterlee, that Respondent needed to provide written notification of Friebe's departure to the
20 Division.

21 7. On May 27, 2009, the Division sent Respondent a fax which stated in part: "Please
22 provide us with written notification that Harry Friebe left your firm including the effective date;
23 and completed section 5 – Affiliated Person Information forms from all owner/control persons
24 including you."

25 8. On June 10, 2009, the Division sent Respondent an email which stated in part: "Please
26 provide us with written notification that Harry Friebe left your firm including the effective date



1 and completed section 5 – Affiliated Person information forms from all owner/control persons
2 including you.”

3 9. On June 24, 2009, the Division sent Respondent a second email which stated in part:
4 “Please provide us with written notification that Harry Friebe left your firm including the
5 effective date and completed section 5 – Affiliated Person information forms from all
6 owner/control persons including you.”

7 10. On July 8, 2009, the Division sent Respondent a second fax which stated in part: “Your
8 company appears to be violating Oregon law.” The fax included a copy of OAR 441-860-0070
9 “Disclosure of Significant Developments” with section 1(f) in bold. The fax concluded: “It has
10 been over 30 days since Harry Friebe left your firm. Please provide us with that written
11 notification including a completed section 5 – Affiliated Person Information . . .”

12 11. On July 15, the Division sent Respondent a third email which stated in part: “Would you
13 please review your company’s 2008 annual report to confirm that the data is correct.”

14 12. On July 27, 2009 the Division employee wrote a to Respondent. The letter was identical
15 in content to the July 8, 2009 fax that was previously sent to Respondent. The letter was
16 delivered via certified mail.

17 13. In total, the Division made at least seven separate request of Respondent to update their
18 control person information. Despite this repeated requests Respondent did not update their
19 control person information with the Division until August 5, 2010.

20 14. Between Respondents November 7, 2007 filing with the Division and their August 5,
21 2010 filing, Respondents had at least three changes in ownership. Respondents failed to provide
22 notice of any of these changes in ownership to the Division.

23 15. First, on or about July 18, 2008, Satterlee’s ownership percentage changed from 50% to
24 100%.

25 16. Second, on or about November 12, 2008, two new owners were listed by Respondents,
26 Randy Jon Szabo (hereinafter “Szabo”) and Richard John Seracka (hereinafter “Seracka”). Their

1 ownership was apportioned as follows: Satterlee 10%; Szabo 25%; Seracka 65%.

2 17. Third, on or about February 3, 2009, Respondents ownership interest changed again
3 without Respondents providing notice to the Division. Their ownership was apportioned as
4 follows: Saterlee 50%; Szabo 25%; and Seracka 25%.

5 **CONCLUSIONS OF LAW**

6 1. By failing to notify the Division of the change in Respondent's ownership Respondent
7 violated OAR 441-860-0070(1)(f) three separate times as described herein.

8 **ORDER**

9 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

10 The Director, pursuant to ORS 86A.992 [formerly numbered ORS 59.996], hereby
11 **ORDERS** Respondent to pay the State of Oregon a **CIVIL PENALTY of \$1,500** for violating
12 OAR 441-860-0070(1)(f) three times. This civil penalty is assessed at the rate of \$500 for each
13 violation of OAR 441-860-0070(1)(f).

14 The Director, pursuant to ORS 86A.127 (4)[formerly ORS 59.885(4)] hereby **ORDERS**
15 that Respondent, including any assignees or successor business(es) or corporation(s), will
16 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR
17 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the Division.

18 Dated this 8th day of June, 2011, at Salem, Oregon.

19 **Scott L Harra, Acting Director**
20 **Department of Consumer and Business Services**

21 /s/ David Tatman

22 **David C. Tatman, Administrator**
23 **Division Of Finance And Corporate Securities**

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



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CORPORATE CONSENT TO ENTRY OF ORDER

I, Tryg Satterlee, state that I am an officer of West Horizon Financial, Inc., and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that I and this entity have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that I voluntarily and without any force or duress, consent to the entry of this Order, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law; and that Respondents will fully comply with the terms and conditions stated herein.

I further assure the Director that neither I nor West Horizon Financial Inc. nor its officers, directors, employees or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law.

I understand that this Consent Order is a public document.

Dated this 26 day of May, 2011.
By /s/ Tryg Satterlee, _____
Tryg Satterlee President

CORPORATE ACKNOWLEDGMENT

There appeared before me this 26 day of May, 2011, Tryg Satterlee, who was first duly sworn on oath, and stated that he was and/or is _____ President of West Horizon Financial Inc. and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of West Horizon Financial Inc. and to bind West Horizon Financial Inc. to the terms hereof.

/s/ Kevin E. Rickels
Signature of Notary Public
Notary Public for the State of: WA.
My Commission Expires: 05-09-14.
Dated this 26 day of May, 2011.

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