

CONSENT ORDER SUMMARY – Case Number C-15-1734

Respondent Name:	Brandon Scott Hooper
NMLS Number:	181013
Order Number:	C-15-1729-16-CO01
Effective Date:	July 8, 2016
License Effect:	

Not Apply Until:	July 9, 2019
Not Eligible Until:	N/A
Prohibition/Ban Until:	N/A

Investigation Costs	\$500	Due:	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	
Fine	\$500	Due:	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	
Assessment(s)	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	
Restitution	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	
Judgment	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	

Comments:	
------------------	--

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

4 IN THE MATTER OF DETERMINING
5 Whether there has been a violation of the
6 Consumer Loan Act of Washington by:

No. C-15-1729-16-CO01

CONSENT ORDER

7 BRANDON SCOTT HOOPER, NMLS No. 181013,
8 Respondent.

9 COME NOW the Director of the Department of Financial Institutions (Director), through his designee
10 Charles E. Clark, Division Director, Division of Consumer Services, and Brandon Scott Hooper (Respondent
11 Hooper), by and through his attorney, J. Steven Lovejoy, and finding that the issues raised in the above-captioned
12 matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is
13 entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the
14 Administrative Procedure Act, based on the following:

15 **AGREEMENT AND ORDER**

16 The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent
17 Hooper have agreed upon a basis for resolution of the matters alleged in the attached Statement of Charges No.
18 C-15-1729-16-SC01 (Statement of Charges), entered April 2, 2016. Pursuant to chapter 31.04 RCW, the
19 Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent Hooper hereby
20 agrees to the Department's entry of this Consent Order. The parties intend this Consent Order to fully resolve the
21 Statement of Charges.

22 **Based upon the foregoing:**

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

25 **B. Waiver of Hearing.** It is AGREED that Respondent Hooper has been informed of the right to a hearing
before an administrative law judge, and hereby waives his right to a hearing and all administrative and judicial
review of the issues raised in this matter, or of the resolution reached herein. Accordingly, by his signature below,

CONSENT ORDER
C-15-1729-16-CO01
Brandon Scott Hooper

1 and by the signature of his authorized representative below, Respondent Hooper withdraws his appeal to the Office
2 of Administrative Hearings.

3 **C. Cooperation.** The Department acknowledges that Respondent Hooper has cooperated with the
4 Department's investigation of this matter. The Statement of Charges implied that Respondent Hooper had been
5 terminated by New Day due to his knowledge of, or participation in, the continuing education cheating scandal at
6 New Day. Respondent Hooper has advised the Department that his termination was completely unrelated to his
7 knowledge of, or participation in, the continuing education cheating scandal at New Day.

8 **D. No Admission or Denial of Violations.** It is AGREED that with the above exception, Respondent
9 Hooper neither admits nor denies the Factual Allegations in the Statement of Charges. It is further AGREED that
10 Respondent Hooper will not take any action or make or permit to be made any public statement creating the
11 impression that this Consent Order is without factual basis, and that nothing in this paragraph affects Respondent
12 Hooper's right to take legal or factual positions in defense of litigation.

13 **E. Application for License.** It is AGREED that, for a period of three years from the date of entry of this
14 Consent Order, Respondent Hooper shall not apply to the Department for a mortgage loan originator license under
15 any name. It is further AGREED that should Respondent Hooper apply to the Department for a mortgage loan
16 originator license under any name at any time later than three years from the date of entry of this Consent Order,
17 Respondent Hooper shall be required to meet all application requirements then in effect.

18 **F. Fine.** It is AGREED that Respondent Hooper shall pay a fine to the Department in the amount of
19 \$500.00 upon entry of this Consent Order.

20 **G. Investigation Fee.** It is AGREED that Respondent Hooper shall pay to the Department an investigation
21 fee of \$500 upon entry of this Consent Order. The Fine and Investigation Fee shall be paid together in one \$1,000
22 cashier's check made payable to the "Washington State Treasurer."

23 **H. Non-Compliance with Order.** It is AGREED that Respondent Hooper understands that failure to
24 abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In the
25

1 event of such legal action, Respondent Hooper may be responsible to reimburse the Director for the cost incurred in
2 pursuing such action, including attorney fees.

3 **I. Voluntarily Entered.** It is AGREED that Respondent Hooper has voluntarily entered into this Consent
4 Order, which is effective when signed by the Director's designee.

5 **J. Completely Read, Understood, and Agreed.** It is AGREED that Respondent Hooper has read this
6 Consent Order in its entirety and fully understands and agrees to all of the same.

7 **BY RESPONDENT:**

8 [Redacted Signature]

9 Brandon Scott Hooper, NMLS No. 181013

7/1/2016

Date

11 **Approved for Entry:**

12 [Redacted Signature]

13 J. Steven Lovejoy, Esq.
14 Shumaker & Williams, P.C.
15 Attorneys for Respondent Hooper

7-6-2016

Date

16 DO NOT WRITE BELOW THIS LINE

17 THIS ORDER ENTERED THIS 8th DAY OF JULY, 2016.



18 [Redacted Signature]

19 CHARLES E. CLARK
20 Director, Division of Consumer Services
21 Department of Financial Institutions

22 Presented by:

22 Approved by:

23 [Redacted Signature]

24 ANTHONY W. CARTER
25 Senior Financial Legal Examiner

23 [Redacted Signature]

24 STEVEN C. SHERMAN
25 Chief of Enforcement

1 Disclosures and NMLS Testing Rules of Conduct Disclosures; (2) if applicable, provide a detailed
2 event explanation as to each 'yes' answer; and (3) e-mail the Department a detailed written explanation
3 relating to having other persons take Continuing Education (CE) courses and tests on his behalf while
4 employed at New Day. The Department placed Respondent Hooper's Washington 2016 MLO renewal
5 application on hold pending a response to the above items, but never received a response. As a
6 consequence Respondent Hooper is not currently licensed as a MLO with the Department.

7 **1.3 Multi-State Investigation.** On April 13, 2015, the Department entered into a Settlement
8 Agreement and Consent Order with New Day in resolution of an investigation into allegations that New
9 Day had allowed employees to cheat on state and federal CE requirements established by NMLS. The
10 Settlement Agreement and Consent Order recites that in violation of state and federal law, New Day's
11 owners, managers, and employees had engaged other employees working for New Day's Compliance
12 Department to sit through CE courses and take the associated CE tests for MLOs. In settlement of the
13 matter, New Day agreed to pay more than five million dollars in civil penalties, reform its business
14 practices with respect to CE compliance, and terminate certain key personnel. An internal investigation
15 conducted by New Day identified Respondent Hooper as having admitted to having CE requirements
16 taken for him by other New Day employees.

17 **1.4 Washington Investigation.** On July 16, 2015, the Department requested that New Day identify
18 whether Respondent Hooper had been terminated due to his knowledge of, or participation in, the
19 conduct at issue in the Settlement Agreement and Consent Order. In response, New Day informed the
20 Department that Respondent Hooper had been terminated by New Day on March 17, 2014.

21 **1.5 Nationwide Multi-State Licensing System.** Each applicant for licensure under the Act must
22 complete NMLS's *Uniform Individual Mortgage License/Registration & Consent Form* (Form MU4).
23 Each Form MU4 requires the applicant to attest under penalty of perjury that the information and
24 statements contained in the Form MU4 are current, true, accurate, and complete. Furthermore, to the

1 extent that any information on a prior Form MU4 is not amended, the applicant must attest under
2 penalty of perjury that the prior information remains accurate and complete. Applicants are required to
3 keep their information on Form MU4 current, to timely file accurate supplementary information, and to
4 comply with the applicable state law relating to the license being sought.

5 **1.6 NMLS Disclosures.** On or about November 11, 2015, Respondent Hooper personally filed a
6 Form MU4 on NMLS. Respondent Hooper attested that the information and statements contained
7 therein were current, true, accurate, and complete, but failed to disclose that he had been terminated by
8 New Day after admitting to having CE requirements taken for him by other New Day employees.

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

10 **2.1 Continuing Education Requirements.** Pursuant to RCW 31.45.267, a licensed MLO must
11 annually complete a minimum of eight hours of continuing education approved by NMLS.

12 **2.2 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent
13 Hooper is in apparent violation of RCW 31.04.027(1), for directly or indirectly employing any scheme,
14 device, or artifice to defraud or mislead any person; (2), for directly or indirectly engaging in any unfair
15 or deceptive practice toward any person; and (13), for violating any applicable state or federal law
16 relating to the activities governed by the Act.

17 **III. AUTHORITY TO IMPOSE SANCTIONS**

18 **3.1 Authority to Prohibit from Industry.** Pursuant to RCW 31.04.093(6), the Director may issue an
19 order prohibiting from participation in the affairs of any licensee any person subject to the Act for any
20 violation of RCW 31.04.027.

21 **3.2 Authority to Collect Investigation Fees.** Pursuant to RCW 31.04.145(3), every licensee
22 investigated by the Director or the Director's designee must pay to the Director the cost of the
23 investigation as determined by rule. Pursuant to WAC 208-620-590, the investigation fee is calculated
24 at the rate of \$69.01 per staff hour devoted to the investigation.

1 **3.3 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director may
2 recover the state's costs and expenses for prosecuting violations of the Act, including for staff time
3 spent preparing for and attending administrative hearings, and reasonable attorneys' fees.

4 **IV. NOTICE OF INTENT TO ENTER ORDER**

5 Respondent Hooper's violations of the Act as set forth in the above Factual Allegations, Grounds
6 for Entry of Order, and Authority to Impose Sanctions, constitute a basis for the entry of an Order under
7 the Act. Therefore, it is the Director's intent to ORDER that:

- 8 **4.1** Respondent Brandon Scott Hooper be prohibited from participating in the affairs
9 of any licensee, or any person subject to the Act, for a period of ten (10) years;
- 10 **4.2** Respondent Brandon Scott Hooper pay the Department the investigation fees
11 incurred in investigating this matter, which as of the date of this Statement of
12 Charges totals \$269.14; and
- 13 **4.3** Respondent Brandon Scott Hooper pay the Department's costs and expenses for
14 prosecuting this matter in an amount to be determined at hearing.

15 **V. AUTHORITY AND PROCEDURE**

16 This Statement of Charges and Notice of Intent to Enter an Order to Prohibit from Industry,
17 Collect Investigative Fees, and Recover Costs and Expenses (Statement of Charges) is entered pursuant
18 to the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is
19 subject to the provisions of chapter 34.05 RCW (the Administrative Procedure Act). Respondent

20 //
21 //
22 //
23 //
24 //

1 Hooper may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
2 DEFEND AND FOR ADJUDICATIVE HEARING accompanying this Statement of Charges.

3
4 Dated this 2nd day April, 2016.



[Redacted signature]

CHARLES E. CLARK
Director, Division of Consumer Services
Department of Financial Institutions

10 Presented by:

[Redacted signature]

ANTHONY W. CARTER
Senior Financial Legal Examiner

Approved by:

[Redacted signature]

DEBORAH P. TAEILLIOUS
Financial Legal Examiner Supervisor

24