

# Terms Completed

## ORDER SUMMARY – Case Number: C-09-060

**Name(s):** Philip Cochrane

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**Order Number:** C-09-060-09-CO01

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**Effective Date:** 3/8/2012

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**License Number:** NMLS ID: 896977  
**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** None

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**Not Apply Until:** \_\_\_\_\_

**Not Eligible Until:** N/A

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**Prohibition/Ban Until:** N/A

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<b>Investigation Costs</b>	\$192	Due NOW	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 2/29/12
<b>Fine</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: Respondent represents he has conducted no activity requiring LO license from DFI since date of SOC issuance

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Respondent acknowledges requirement to obtain LO license and agrees that he will obtain LO license before operating as LO in Washington.

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Respondent is not licensed, therefore licensing unit doesn't need notification

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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-09-060-09-CO01

CONSENT ORDER

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PHILIP COCHRANE,  
Unlicensed Loan Originator,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his  
designee Deborah Bortner, Division Director, Division of Consumer Services, and Philip Cochrane  
(Respondent), and finding that the issues raised in the above-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 the 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 have agreed upon a basis for resolution of the matters alleged in Statement of Charges  
No. C-09-060-09-SC01 (Statement of Charges), entered April 21, 2009, (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 hereby agrees to the Department's entry of this  
Consent Order and further agrees 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.

Based upon the foregoing:

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

3           B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a  
4 hearing before an administrative law judge, and hereby waives his 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  
6 herein. Accordingly, Respondent, by his signature below, withdraws his appeal to the Office of  
7 Administrative Hearings.

8           C. **Representation of Non-Activity and Requirement to Obtain Loan Originator**  
9 **License.** Respondent represents and warrants that he has not engaged in any activity requiring a loan  
10 originator license from the Department since at least April 21, 2009. Respondent understands and  
11 agrees that before he can operate as a loan originator in the state of Washington, he must obtain the  
12 required license from the Department, unless qualifying for an exemption from licensure.

13 Respondent further agrees that before he operates as a loan originator in the state of Washington, he  
14 will obtain the required license from the Department, unless qualifying for an exemption from  
15 licensure.

16           D. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an  
17 investigation fee of \$192, in the form of a cashier's check made payable to the "Washington State  
18 Treasurer," upon entry of this Consent Order.

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

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

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

5 **RESPONDENT:**

6 [REDACTED]  
7 [REDACTED]  
8 Phillip Cochran

02/20/2012  
Date

9 [REDACTED]  
10 Margaret Paul WSBA No. 38982  
Attorney for Respondent

2/23/12  
Date

11 **DO NOT WRITE BELOW THIS LINE**

12 THIS ORDER ENTERED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2012

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

18 Presented by:

19 \_\_\_\_\_  
MARK T. OLSON  
20 Financial Legal Examiner

21 Approved by:

22 \_\_\_\_\_  
23 JAMES R. BRUSSELBACK  
Enforcement Chief

24 CONSENT ORDER  
C-09-060-09-CO01  
Phillip Cochran

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

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

5 **RESPONDENT:**

6 [Redacted]

7 Philip Cochrane

8 02/20/2012  
Date

9  
10 Margaret Pak, WSBA No. 38982  
Attorney for Respondent

Date

11 DO NOT WRITE BELOW THIS LINE

12 THIS ORDER ENTERED THIS 8<sup>th</sup> DAY OF March, 2012



13 [Redacted]

14 DEBORAH BORTNER  
15 Director  
16 Division of Consumer Services  
17 Department of Financial Institutions

18 Presented by:

19 [Redacted]

20 MARK T. OLSON  
Financial Legal Examiner

21 Approved by:

22 [Redacted]

23 JAMES R. BRUSSELBACK  
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:  
  
PHILIP COCHRANE, Unlicensed Loan Originator,  
  
Respondent.

NO. C-09-060-09-SC01

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

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**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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235 and .310, and based upon the facts available as 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 Respondent Philip Cochrane (Respondent Cochrane)** worked for Envision Lending Group Inc.<sup>2</sup> as a loan originator during all times relevant to this Statement of Charges. Respondent Cochrane has never applied for his loan originator license with the Department.

**1.2 Loan Originator License.** In order to conduct business as a loan originator in 2007, Respondent Cochrane was required to apply for his loan originator license before January 1, 2007. In order to continue to operate as a loan originator after January 1, 2008, Respondent Cochrane had to have been issued a license by the Department.

**1.3 Unlicensed Loan Originator Activity.** Respondent Cochrane conducted the business of a loan originator from 10813 S. River Front Parkway, Suite 300, Midway, UT 84095 between July 1, 2007, and

<sup>1</sup> RCW 19.146 (2006).

<sup>2</sup> The Department has issued a Statement of Charges (C-08-385-09-SC01) against Envision Lending Group, Inc. that includes an allegation of allowing Respondent Cochrane to originate loans while not licensed.

1 August 16, 2007. Respondent Cochrane originated a loan<sup>1</sup> for borrowers whose property was located in Seattle,  
2 Washington.

3 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
4 Respondent continues to date.

## 5 **II. GROUNDS FOR ENTRY OF ORDER**

6 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010 (12) and WAC 208-660-006,  
7 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or  
8 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential  
9 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a  
10 person in obtaining or applying to obtain a residential mortgage loan.

11 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010 (10), "Loan Originator" means a natural  
12 person who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or negotiates  
13 terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect  
14 compensation or gain.

15 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010 (3) and WAC 208-660-006, a "Borrower" is  
16 defined as any person who consults with or retains a mortgage broker or loan originator in an effort to obtain or  
17 seek advice or information on obtaining or applying to obtain a residential mortgage loan for himself, herself, or  
18 persons including himself or herself, regardless of whether the person actually obtains such a loan.

19 **2.4 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent Cochrane  
20 are in apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme,  
21 device or artifice to defraud or mislead borrowers or lenders or any person, for engaging in an unfair or  
22 deceptive practice toward any person, and for obtaining property by fraud or misrepresentation.

23 **2.5 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section  
24 I above, Respondent Cochrane is in apparent violation of RCW 19.146.200 for engaging in the business of a  
25 loan originator without first obtaining and maintaining a license under the Act.

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<sup>1</sup> Envision loan number 19181 for borrower R.D.

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue  
3 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed  
4 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker  
5 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) and  
6 RCW 19.146.200..

7 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e), and (3)(a), the Director may impose  
8 fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act for any  
9 violations of RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030 through RCW 19.146.080, RCW  
10 19.146.200, RCW 19.146.205(4), or RCW 19.146.265, or any violation of the Act.

11 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228 (2), WAC 208-660-520, and  
12 WAC 208-660-550(5), upon completion of any investigation of the books and records of a licensee or other person  
13 subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover  
14 the cost of the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff  
15 person devoted to the investigation.

16 **3.4 Authority to Order Restitution.** Pursuant to RCW 19.146.220 (2)(e), the Director may issue orders  
17 directing a licensee, its employee or loan originator, or other person subject to the Act to pay restitution to for any  
18 violation of the Act.

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

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

24 **4.1** Respondent Philip Cochrane be prohibited from participation in the conduct of the affairs of any  
25 mortgage broker subject to licensure by the Director, in any manner, for a period of 3 years;

**4.2** Respondent Philip Cochrane pay a fine of \$1,400;



1 4.3 Respondent Philip Cochrane pay an investigation fee, which as of the date of these charges is \$192  
2 calculated at \$48 per hour for 4 staff hours devoted to the investigation; and

3 4.4 Respondent Philip Cochrane pay restitution in an amount to be determined at hearing.

4 **V. AUTHORITY AND PROCEDURE**

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

11 Dated this 21<sup>st</sup> day of April, 2009.



12  
13 DEBORAH BORTNER  
14 Director Division of Consumer Services  
15 Department of Financial Institutions

16 Presented by:



17 WILLIAM HALSTEAD  
18 Financial Legal Examiner



19 Approved by:



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21 JAMES R. BRUSSELBACK  
22 Enforcement Chief

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