

ORDER SUMMARY – Case Number: C-11-0829

Name(s): Triton Law Group; Thomas P. Hays

Order Number: C-11-0829-13-CO01

Effective Date: 11/19/13

License Number: UL
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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:

Not Apply Until: 11/20/2023

Not Eligible Until: 11/20/2023

Prohibition/Ban Until: 10 years

Investigation Costs	\$240	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 11/7/13
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,479	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 11/7/13
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

No.: C-11-0829-13-CO01

CONSENT ORDER

TRITON LAW GROUP, P.C., and
THOMAS P. HAYS, Owner,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Triton Law Group, P.C., and Thomas P. Hays, Owner (Respondents), 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 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-11-0829-12-SC01 (Statement of Charges), entered September 27, 2012, (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, Respondents hereby agree to the Department's entry of this Consent Order and further agree 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. Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER
C-11-0829-13-CO01
TRITON LAW GROUP, P.C.,
THOMAS P. HAYS

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
5 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
6 administrative and judicial review of the issues raised in this matter, or of the resolution reached
7 herein. Accordingly, Respondents, by the signatures below, withdraw their appeal to the Office of
8 Administrative Hearings.

9 C. **Cease and Desist.** It is AGREED that Respondents shall cease and desist from
10 conducting the business of a mortgage broker or loan originator in the state of Washington.

11 D. **Prohibition from Industry.** It is AGREED that, for a period of ten (10) years from the
12 date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in
13 the conduct of the affairs of any mortgage broker licensed by the Department or subject to licensure
14 or regulation by the Department.

15 E. **Restitution.** It is AGREED that Respondents shall pay restitution in the amount of
16 \$2,479 to the consumer identified in Paragraph 1.3 of the Statement of Charges.

17 F. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
18 investigation fee of \$240, in the form of a cashier's check made payable to the "Washington State
19 Treasurer," upon entry of this Consent Order.

20 G. **Authority to Execute Order.** It is AGREED that the undersigned have represented and
21 warranted that they have the full power and right to execute this Consent Order on behalf of the
22 parties represented.

1 H. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
2 abide by the terms and conditions of this Consent Order may result in further legal action by the
3 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
4 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

5 I. **Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily
6 entered into this Consent Order, which is effective when signed by the Director's designee.

7 J. **Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
8 this Consent Order in its entirety and fully understand and agree to all of the same.

9 **RESPONDENTS:**

10 **Triton Law Group, P.C.**

11 By:

[Redacted Signature]

12 Thomas P. Hays
13 Owner

9-20-13
Date

14 [Redacted Signature]

15 Thomas P. Hays
16 Individually

9-20-13
Date

17 DO NOT WRITE BELOW THIS LINE

18 THIS ORDER ENTERED THIS 19th DAY OF November, 2013



[Redacted Signature]

24 DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

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Presented by:



KENNETH SUGIMOTO
Financial Legal Examiner

Approved by:



CHARLES E. CLARK
Enforcement Chief

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

TRITON LAW GROUP, P.C., and
THOMAS P. HAYS, Owner,

Respondents.

No. C-11-0829-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO PRODUCE RECORDS,
CEASE AND DESIST BUSINESS,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
COLLECT INVESTIGATION FEE

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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of the date 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 Triton Law Group, P.C. (Respondent Triton) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or loan originator.

1.2 Respondent Thomas P. Hays (Respondent Hays) is Owner of Respondent Triton. During the relevant time period, Respondent Hays was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1.3 Unlicensed Activity. On or about April 26, 2011, Respondents Triton and Hays (Respondents) were offering residential mortgage loan modification services to Washington consumers on property located in Washington State. Respondents entered into a contractual

1 relationship with at least one Washington consumer to provide those services and collected an advance
2 fee for the provision of those services. The Department has received at least one complaint from a
3 Washington consumer alleging Respondents provided or offered to provide residential mortgage loan
4 modification services while not licensed by the Department to provide those services. The consumer
5 paid Respondents a fee of \$2,479.

6 **1.4 Misrepresentations and Omissions.** Respondents represented that they were licensed to
7 provide the residential mortgage loan modification services or omitted disclosing that they were not
8 licensed to provide those services. During the relevant time period, Respondent Hays represented that
9 he was licensed to practice law in Washington or omitted disclosing that he was not licensed to
10 practice law in the State of Washington.

11 **1.5 On-Going Investigation.** The Department’s investigation into the alleged violations of the
12 Act by Respondents continues to date.

13 II. GROUNDS FOR ENTRY OF ORDER

14 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
15 “Mortgage Broker” means any person who, for compensation or gain, or in the expectation of
16 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
17 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
18 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a
19 person “‘assists a person in obtaining or applying to obtain a residential mortgage loan’ by, among
20 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages....”

21 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a
22 natural person who for direct or indirect compensation or gain, or in the expectation of direct or indirect
23 compensation or gain: takes a residential mortgage loan application for a mortgage broker; offers or
24

1 negotiates terms of a mortgage loan; performs residential mortgage loan modification services; or holds
2 themselves out to the public as able to perform any of these activities.

3 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
4 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
5 toward any person and obtaining property by fraud or misrepresentation.

6 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
7 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
8 for engaging in the business of a mortgage broker for Washington residents or property without first
9 obtaining a license to do so.

10 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
11 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
12 for engaging in the business of a loan originator without first obtaining and maintaining a license.

13 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
14 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
15 location that is on file with and readily available to the Department until at least twenty-five months
16 have elapsed following the effective period to which the books and records relate.

17 III. AUTHORITY TO ORDER PRODUCTION OF RECORDS

18 **3.1 Authority to Order Production of Records.** Pursuant to RCW 19.146.223, RCW 19.146.
19 235(2), and WAC 208-660-520, the Director may issue orders directing any person to produce books,
20 accounts, records, files, and any other documents the director or designated person deems relevant to
21 an investigation.

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1 **IV. AUTHORITY TO IMPOSE SANCTIONS**

2 **4.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
3 Director may issue orders directing any person subject to the Act to cease and desist from conducting
4 business.

5 **4.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
6 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
7 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
8 (13), or RCW 19.146.200.

9 **4.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
10 restitution against any person subject to the Act for any violation of the Act.

11 **4.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
12 against any person subject to the Act for any violation of the Act.

13 **4.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
14 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner’s time devoted
15 to an investigation of any person subject to the Act.

16 **V. NOTICE OF INTENT TO ENTER ORDER**

17 Respondents’ violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
18 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
19 and RCW 19.146.223. Therefore, it is the Director’s intent to ORDER that:

20 **5.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

21 **5.2** Respondents provide the Department with a list detailing all residential mortgage loan
22 modification services transactions with Washington consumers, including the name, address,
23 and phone numbers of the consumers, the transaction date, and fees collected by Respondents
24 for the provision of those services.

5.3 Respondents be prohibited from participation in the conduct of the affairs of any mortgage
broker subject to licensure by the Director, in any manner, for a period of five years.

1 5.4 Respondents jointly and severally pay restitution to the consumer identified by the Department
2 in paragraph 1.3 as having paid \$2,479 to Respondents, and that Respondents jointly and
3 severally pay restitution to each Washington consumer with whom they entered into a contract
4 for residential mortgage loan modification services related to real property or consumers
5 located in the state of Washington equal to the amount collected from that Washington
6 consumer for those services in an amount to be determined at hearing.

7 5.5 Respondents jointly and severally pay a fine of \$3,000 for each residential loan modification
8 transaction entered into with Washington consumers. As of the date of this Statement of
9 Charges, the fine totals \$3,000.

10 5.6 Respondents jointly and severally pay an investigation fee at the rate of \$48.00 per hour. As of
11 the date of this Statement of Charges, the investigation fee totals \$240.

12 5.7 Respondents maintain records in compliance with the Act and provide the Department with the
13 location of the books, records and other information relating to Respondents' provision of
14 residential mortgage loan modification services in Washington, and the name, address and
15 telephone number of the individual responsible for maintenance of such records in compliance
16 with the Act.

17 VI. AUTHORITY AND PROCEDURE

18 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
19 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
20 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
21 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
22 accompanying this Statement of Charges.

23 Dated this 27th day of September, 2012.

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/S/
DEBORAH BORTNER
Director, Division of Consumer Services
Department of Financial Institutions

1 Presented by:

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/S/

3 KENNETH J. SUGIMOTO
4 Financial Legal Examiner

5 Approved by:

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/S/

7 CHARLES E. CLARK
8 Enforcement Chief

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