

Terms Completed

ORDER SUMMARY – Case Number: C-13-1240

Name(s): Stephen N. Benjamin

Order Number: C-13-1240-13-CO01

Effective Date: December 8, 2013

License Number: DFI: 82011 NMLS ID: #986567

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)

License Effect: Application denied
If applicable, you must specifically note the ending dates of terms.

Not Apply Until: 12/8/2018

Not Eligible Until: 12/8/2018

Prohibition/Ban Until: 12/8/2018

Investigation Costs	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	N/A	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:			

Comments: Respondent's license application is denied. Additionally, Respondent is prohibited from applying for any license for 5 years, and banned from the industry for 5 years.

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

3 IN THE MATTER OF INVESTIGATING
4 The loan originator license application under the
4 Mortgage Broker Practices Act of Washington by:

No. C-13-1240-13-CO01

CONSENT ORDER

5 STEPHEN NICHOLAS BENJAMIN,
6 NMLS #986567,

Respondent.

7
8 COMES NOW the Director of the Department of Financial Institutions (Director), through his
9 designee Deborah Bortner, Division Director, Division of Consumer Services, and Stephen Nicholas
10 Benjamin, (Respondent), and finding that the issues raised in the above-captioned matter may be
11 economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is
12 entered pursuant to chapter 19.146 of the Revised Code of Washington (RCW), and RCW 34.05.060
13 of the Administrative Procedure Act, based on the following:

14 **AGREEMENT AND ORDER**

15 The Department of Financial Institutions, Division of Consumer Services (Department) and
16 Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges
17 No. C-13-1240-13-SC01 (Statement of Charges), entered May 9, 2013, (copy attached hereto).

18 Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of
19 the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this
20 Consent Order and further agrees that the issues raised in the above-captioned matter may be
21 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent
22 Order to fully resolve the Statement of Charges. Respondent is agreeing not to contest the Statement
23 of Charges in consideration of the terms of this Consent Order.

24 CONSENT ORDER
C-13-1240-13-CO01
STEVEN NICHOLAS BENJAMIN

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
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 Respondent has been informed of the right to a
5 hearing before an administrative law judge, and hereby waives his 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, Respondent, by his signature below, withdraws his appeal to the Office of
8 Administrative Hearings.

9 C. **Mortgage Loan Originator Application.** It is AGREED that Respondent's mortgage
10 loan originator license application is denied.

11 D. **Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the
12 date of entry of this Consent Order, Respondent is 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. **Application for License.** It is AGREED that, for a period of five (5) years from the date
16 of entry of this Consent Order, Respondent shall not apply to the Department for any license under
17 any name. It is further AGREED that, should Respondent apply to the Department for any license
18 under any name at any time later than five (5) years from the date of entry of this Consent Order,
19 such applying Respondent shall be required to meet any and all application requirements in effect at
20 that time.

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

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

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

RESPONDENT:

[Redacted Signature]

Stephen Nicholas Benjamin

NOV 18, 2013
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 18th DAY OF December, 2013



[Redacted Signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted Signature]

Rachelle Villalobos
Financial Legal Examiner

Approved by:

[Redacted Signature]

Charles E. Clark
Enforcement Chief

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

4 IN THE MATTER OF INVESTIGATING
5 The loan originator license application under the
6 Mortgage Broker Practices Act of Washington by:

7 STEPHEN NICHOLAS BENJAMIN,
8 NMLS #986567

9 Respondent.

No. C-13-1240-13-SC01

10 STATEMENT OF CHARGES and
11 NOTICE OF INTENTION TO ENTER
12 AN ORDER TO DENY APPLICATION FOR
13 LICENSE AND PROHIBIT FROM
14 INDUSTRY

15 INTRODUCTION

16 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of
17 Financial Institutions of the State of Washington (Director) is responsible for the administration of
18 chapter 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation
19 pursuant to RCW 19.146.310, and based upon the facts available as of date of this Statement of
20 Charges, the Director, through his designee, Division of Consumer Services Director Deborah
21 Bortner, institutes this proceeding and finds as follows:

22 I. FACTUAL ALLEGATIONS

23 1.1 Respondent Stephen Nicholas Benjamin (Respondent) submitted an application to the
24 Department of Financial Institutions of the State of Washington (Department) for a license to conduct
the business of a loan originator. The license application was received by the Department, through
the Nationwide Mortgage Licensing System and Registry (NMLSR), on or about March 11, 2013.

1.2 Felony Conviction. On or about April 15, 2013, Respondent was convicted of a felony in
Federal District Court.

1.3 False Statements and Omissions of Material Facts on License Application. Respondent
submitted information on-line through the NMLSR (MU4 filing) on or about March 11, 2013, to
apply for his loan originator license. Respondent was obligated by statute to provide the Department

1 with an accurate and complete license application, including answering questions on the MU4 filing
2 truthfully.

3 The "Criminal Disclosure" section of the MU4 filing included the following question: "(2)
4 Are there pending charges against you for any felony?" Respondent answered "No" to this question
5 on the MU4 filing. Respondent, however, had been arraigned in Federal District Court on or about
6 September 19, 2012, on felony charges.

7 The MU4 filing contained an oath by Respondent that the information and statements were
8 "current, true, accurate and complete."

9 **1.4 Character and General Fitness.** Respondent has not demonstrated character and general
10 fitness as evidenced by the Respondent's guilty plea to a felony involving dishonesty and his false
11 statements on his application.

12 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
13 Act by Respondent continues to date.

14 II. GROUNDS FOR ENTRY OF ORDER

15 **2.1 Requirement of No Felony Convictions.** Based on the Factual Allegations set forth in
16 Section I above, Respondent fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-
17 660-350-(2)(c) by having been convicted of a felony within seven years of the filing of the present
18 application, or having ever been convicted of, or pleading guilty or nolo contendere to, a felony
19 involving an act of fraud, dishonesty, breach of trust, or money laundering.

20 **2.2 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent
21 is in apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(h) for negligently making
22 any false statement or knowingly and willfully making an omission of material fact in connection
23 with any reports filed by a mortgage broker or in connection with any investigation conducted by the
24 Department.

1 **2.3 Requirement to Provide Information on License Application.** Based on the Factual
2 Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW
3 19.146.300(1) & (2) and RCW 19.146.310(1)(b) by failing to provide an accurate and complete
4 license application in the form prescribed by the Director.

5 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual
6 Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW
7 19.146.310(1)(g) and WAC 208-660-350(2) by failing to demonstrate character and general fitness
8 such as to command the confidence of the community and to warrant a belief that the business will be
9 operated honestly and fairly within the purposes of the Act.

10 III. AUTHORITY TO IMPOSE SANCTIONS

11 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW
12 19.146.220(1), the Director may deny licenses to loan originators. Pursuant to RCW 19.146.220(2),
13 the Director may deny licenses for: violations of orders, including cease and desist orders; false
14 statements or omission of material information on the application that, if known, would have allowed
15 the Director to deny the application for the original license; failure to pay a fee required by the
16 Director or maintain the required bond; failure to comply with any directive, order, or subpoena of
17 the Director; or any violation of the Act. Pursuant to RCW 19.146.310(2), if the Director does not
18 find the conditions of RCW 19.146.310(1) have been met, the Director shall not issue the loan
19 originator license and shall notify the loan originator applicant of the denial.

20 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
21 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker,
22 or both, any person subject to licensing under the Act for: any violation of RCW 19.146.0201(1)
23 through (9).

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

2 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC,
3 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
4 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
5 RCW 19.146.223, and RCW 19.146.310. Therefore, it is the Director's intention to ORDER that:

- 6 **4.1** Respondent Stephen Nicholas Benjamin's application for a license to conduct the
7 business of a loan originator be denied.
- 8 **4.2** Respondent Stephen Nicholas Benjamin be prohibited from participation in the
9 conduct of the affairs of any mortgage broker subject to licensure by the Director, in
10 any manner, for a period of 5 years.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
3 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter
4 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for a
5 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
6 HEARING accompanying this Statement of Charges.

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8 Dated this 9th day of May, 2013.



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

15 Presented by:



16 **RACHELLE VILLALOBOS**
17 Financial Legal Examiner

18 Approved by:



19 **STEVEN C. SHERMAN**
20 Financial Legal Examiner Supervisor