

## Terms Completed

### CONSENT ORDER SUMMARY – Case Number C-15-1729

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

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

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

<b>Comments:</b>	
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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  
9 Respondent.

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

16 **AGREEMENT AND ORDER**

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

23 **Based upon the foregoing:**

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

**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,

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  
9 /s/  
10 Brandon Scott Hooper, NMLS No. 181013

7/1/2016  
Date

11 **Approved for Entry:**

12  
13 /s/  
14 J. Steven Lovejoy, Esq.  
15 Shumaker & Williams, P.C.  
Attorneys for Respondent Hooper

7-6-2016  
Date

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16 **DO NOT WRITE BELOW THIS LINE**

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

18 /s/  
19 CHARLES E. CLARK  
20 Director, Division of Consumer Services  
Department of Financial Institutions

21  
22 Presented by:

Approved by:

23  
24 /s/  
25 ANTHONY W. CARTER  
Senior Financial Legal Examiner

/s/  
STEVEN C. SHERMAN  
Chief of Enforcement

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

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

BRANDON SCOTT HOOPER, NMLS No. 181013,  
Respondent.

No. C-15-1729-16-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO ENTER AN  
ORDER TO PROHIBIT FROM INDUSTRY,  
COLLECT INVESTIGATION FEES, and  
RECOVER COSTS and EXPENSES

**INTRODUCTION**

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). Having conducted an investigation pursuant to the Act, 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 Charles E. Clark, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondent Brandon Scott Hooper** (Respondent Hooper) was licensed by the Washington State Department of Financial Institutions (Department) to conduct business as a mortgage loan originator (MLO) on June 27, 2010. Respondent Hooper's license as a MLO was renewed annually until April 9, 2014, when his sponsorship was removed by New Day Financial, LLC (New Day), a Department-licensed consumer loan company. Respondent Hooper was subsequently sponsored by and licensed as a MLO in Washington with other consumer loan companies, including, in March 2015, with his current employer Freedom Mortgage Corporation.

**1.2** On December 8, 2015, Respondent Hooper requested that his Washington MLO license be renewed. On December 29, 2015, the Department requested that Respondent Hooper (1) log into the National Mortgage Licensing System (NMLS) to review and, if necessary, update his Termination

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

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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.

5  
6 /s/ \_\_\_\_\_  
7 CHARLES E. CLARK  
8 Director, Division of Consumer Services  
9 Department of Financial Institutions

10 Presented by:

Approved by:

11  
12 /s/ \_\_\_\_\_  
13 ANTHONY W. CARTER  
14 Senior Financial Legal Examiner

15 /s/ \_\_\_\_\_  
16 DEBORAH P. TAELLIUS  
17 Financial Legal Examiner Supervisor