

Terms Completed

ORDER SUMMARY – Case Number: C-15-1745

Name: Podium Mortgage Capital LLC

Order Number: C-15-1745-17-CO01

Effective Date: December 21, 2017

License Number: NMLS # 81395

Or NMLS Identifier [U/L] _____

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$4,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 12/21/17
Fine	\$20,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 12/21/17
Financial Literacy and Education	\$15,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 12/21/17
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
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:				

Comments: Podium Mortgage Capital LLC agrees to fully cooperate in the Department's prosecution of Respondents Brady Ernst Ellis and Alanna Ellis.

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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
Consumer Loan Act of Washington by:

PODIUM MORTGAGE CAPITAL LLC f/k/a
PINNACLE CAPITAL MORTGAGE LLC f/k/a
PINNACLE CAPITAL MORTGAGE
CORPORATION d/b/a ABSOLUTE
MORTGAGE; BRADLEY ERNST ELLIS,
Mortgage Loan Originator, NMLS # 120435, and
ALANNA GRACE ELLIS f/k/a ALANNA
HOLOKA DAVIDSON, ALANNA H.
DAVIDSON, ALANNA DAVISON, and
ALANNA GRACE MARIA-DAVIDSON,
Unlicensed Mortgage Loan Originator, NMLS #
44184,

Respondents.

No.: C-15-1745-17-CO01

CONSENT ORDER AS TO PODIUM
MORTGAGE CAPITAL, LLC
NMLS #81395

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COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and Podium Mortgage Capital, LLC (Respondent Podium), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled solely as to Respondent Podium, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent Podium have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-15-1745-17-SC01 (Statement of Charges), entered June 7, 2017, (copy attached hereto) solely as they apply to Respondent Podium. Pursuant to chapter 31.04 RCW, the Consumer

1 Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent Podium
2 hereby agrees to the Department's entry of this Consent Order and further agrees that the issues
3 raised in the above-captioned matter, solely as they apply to Respondent Podium, may be
4 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent
5 Order to fully resolve the Statement of Charges solely as to Respondent Podium. Respondent
6 Podium is agreeing not to contest the Statement of Charges in consideration of the terms of this
7 Consent Order.

8 Based upon the foregoing:

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

11 B. **Waiver of Hearing.** It is AGREED that Respondent Podium has been informed of the
12 right to a hearing before an administrative law judge, and hereby waives its right to a hearing and any
13 and all administrative and judicial review of the issues raised in this matter, or of the resolution
14 reached herein. Accordingly, Respondent Podium, by the signatures of its representatives below,
15 withdraws its appeal to the Office of Administrative Hearings.

16 C. **No Admission of Liability.** It is AGREED that Respondent Podium neither admits nor
17 denies any wrongdoing by entry of this Consent Order.

18 D. **Financial Literacy Payment.** Pursuant to RCW 31.04.093(7), the Director may accept
19 payments to the Department for purposes of financial literacy and education programs authorized
20 under RCW 43.320.150. Accordingly, it is AGREED that Respondent Podium shall pay \$15,000 to
21 the Department for purposes of financial literacy and education programs (the "Financial Literacy
22 Payment"). It is further AGREED that Respondent Podium shall not advertise the Financial Literacy
23 Payment.

1 E. **Fine.** It is AGREED that Respondent Podium shall pay a fine to the Department in the
2 amount of \$20,000.

3 F. **Investigation Fee and Costs.** It is AGREED that Respondent Podium shall pay \$4,000 to
4 the Department for the costs and expenses of the Department’s investigation. The Financial Literacy
5 Payment, Fine, and Investigation Fee shall be paid in the form of a cashier’s check made payable to
6 the “Washington State Treasurer” upon entry of this Consent Order.

7 G. **Complete Cooperation with the Department.** It is AGREED that Respondent Podium,
8 including its officers, employees, and agents, shall continue to cooperate with the Department’s
9 prosecution of its action against Respondents Bradley Ellis and Alana Ellis. It is further AGREED
10 that Respondent Podium shall provide witness testimony and documentary evidence as requested by
11 the Department, and that any failure to cooperate fully, truthfully, and completely is a breach of this
12 Consent Order.

13 H. **Authority to Execute Order.** It is AGREED that the undersigned have represented and
14 warranted that they have the full power and right to execute this Consent Order on behalf of the
15 parties represented.

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

21 J. **Voluntarily Entered.** It is AGREED that Respondent Podium has voluntarily entered
22 into this Consent Order, which is effective when signed by the Director’s designee.
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1 **K. Completely Read, Understood, and Agreed.** It is AGREED that Respondent Podium's
2 representatives have read this Consent Order in its entirety and fully understand and agree to all of
3 the same.

4 **L. Counterparts.** This Consent Order may be executed by Respondent Podium in any
5 number of counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall
6 be deemed to be an original, but all of which, taken together, shall constitute one and the same
7 Consent Order.

8 **RESPONDENT:**
9 Podium Mortgage Capital, LLC
10 By:

11 /s/
12 Catherine Damberg
13 Senior Managing Director

November 10, 2017
Date

14 Approved for Entry:

15 /s/
16 Haydn Richards
17 Attorney at Law
18 Bradley Arant Boult Cummings LLP
19 Attorney for Respondent Podium

November 10, 2017
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 21st DAY OF December, 2017.

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

Presented by:

/s/
AMANDA J. HERNDON
Financial Legal Examiner

Approved by:

/s/
STEVEN C. SHERMAN
Enforcement Chief

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

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

5 PODIUM MORTGAGE CAPITAL LLC f/k/a
6 PINNACLE CAPITAL MORTGAGE LLC f/k/a
PINNACLE CAPITAL MORTGAGE
7 CORPORATION d/b/a ABSOLUTE
MORTGAGE; BRADLEY ERNST ELLIS,
8 Mortgage Loan Originator, NMLS # 120435, and
ALANNA GRACE ELLIS f/k/a ALANNA
9 HOLOKA DAVIDSON, ALANNA H.
DAVIDSON, ALANNA DAVISON, and
10 ALANNA GRACE MARIA-DAVIDSON,
Unlicensed Mortgage Loan Originator, NMLS #
44184,

11 Respondents.

No. C-15-1745-17-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO CEASE AND DESIST, REVOKE
LICENSE, PROHIBIT FROM INDUSTRY,
IMPOSE FINE, COLLECT INVESTIGATION
FEE, AND COLLECT COSTS AND
EXPENSES OF PROSECUTION

12 **INTRODUCTION**

13 Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial
14 Institutions of the State of Washington (Director) is responsible for the administration of chapter
15 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to
16 RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the
17 Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes
18 this proceeding and finds as follows:

19 **I. FACTUAL ALLEGATIONS**

20 **1.1 Respondents.**

21 **A. Podium Mortgage Capital LLC f/k/a Pinnacle Capital Mortgage LLC f/k/a Pinnacle**
22 **Capital Mortgage Corporation d/b/a Absolute Mortgage (Podium)** was licensed by the

23 Department of Financial Institutions of the State of Washington (Department) to conduct business as

1 a consumer loan company on or about September 3, 2008, under the name Pinnacle Capital Mortgage
2 Corporation. Pinnacle Capital Mortgage Corporation changed its name to Pinnacle Capital Mortgage
3 LLC on or about June 30, 2015, and Pinnacle Capital Mortgage Corporation LLC changed its name
4 to Podium Mortgage Capital LLC on or about November 13, 2015. Between at least October 14,
5 2014, and March 20, 2015, Podium used the trade name Absolute Mortgage. Podium continues to be
6 licensed to date.

7 **B. Bradley Ernst Ellis (Bradley Ellis)** was licensed by the Department to conduct business as a
8 mortgage loan originator between approximately July 16, 2012, and December 31, 2015. From about
9 October 15, 2014, to about March 20, 2015, Bradley Ellis was employed as a mortgage loan
10 originator at an Absolute Mortgage branch of Podium. Bradley Ellis's license expired on or about
11 January 1, 2016. Bradley Ellis was licensed again between approximately August 9, 2016, and
12 December 31, 2016. Bradley Ellis's license expired again on or about January 1, 2017, and he is
13 unlicensed to date.

14 **C. Alanna Grace Ellis f/k/a Alanna Holoka Davidson, Alanna H. Davidson, Alanna**
15 **Davison, and Alanna Grace Maria-Davidson (Alanna Ellis)**, has never been licensed by the
16 Department to conduct business as a mortgage loan originator. From about October 17, 2014, to
17 about March 20, 2015, Podium employed Alanna Ellis as an assistant to Bradley Ellis at an Absolute
18 Mortgage branch. At all relevant times Alanna Ellis was married to Bradley Ellis.

19 **1.2 Prior Convictions.** On or about July 19, 1996, and December 9, 1999, Alanna Ellis was
20 found guilty of felony crimes involving acts of fraud, dishonesty, or breach of trust in the Superior
21 Court of Washington for Benton County and the Superior Court of Washington for King County.
22 These convictions made Alanna Ellis ineligible for a mortgage loan originator license and ineligible
23 to be an employee participating in the affairs of any licensee.

1 **1.3 Prior Unlicensed Activity.** On or about January 6, 2010, the Department entered Final Order
2 to Cease and Desist No. C-09-232-10-FO01 (Final Order) against Podium.¹ In the Final Order, the
3 Department found that:

- 4 A. Podium submitted a branch application for an office in Puyallup, Washington.
- 5 B. Before the branch application had been approved, a Department representative visited the
6 Puyallup office and found it open for business.
- 7 C. At the visit, the Department representative met with an individual who was not licensed as a
8 mortgage loan originator. The individual told the Department representative that his business
9 could help with obtaining a residential mortgage loan.
- 10 D. The unlicensed individual also directed a staff member to provide the Department
11 representative with a Uniform Residential Loan Application (Application). The Application
12 identified the company as “Absolute Mortgage.”

13 Based on the above findings, the Department determined that Podium conducted the business of a
14 consumer loan company from an unlicensed location or, in the alternative, aided and abetted an
15 unlicensed person to practice under the Act or chapter 19.146 RCW, the Mortgage Broker Practices
16 Act.

17 **1.4 New Unlicensed Activity.** Between at least January 15, 2015, and February 27, 2015, Alanna
18 Ellis, for direct or indirect compensation or gain or in expectation of direct or indirect compensation
19 or gain, originated at least one residential mortgage loan by taking a residential mortgage loan
20 application from a Washington State consumer, offering terms of a residential mortgage loan to a
21 Washington State consumer, or negotiating the terms of a residential mortgage loan with a
22 Washington State consumer.

23 ¹ The Final Order was issued under the name Pinnacle Capital Mortgage Corporation d/b/a Absolute Mortgage
24 and Absolute Mortgage Corporation.
STATEMENT OF CHARGES 3 DEPARTMENT OF FINANCIAL INSTITUTIONS
C-15-1745-17-SC01
PODIUM MORTGAGE CAPITAL LLC, *et al.* Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **1.5 Misleading and Deceptive Activity.** Certain documents used to originate residential
2 mortgage loans contain blank fields where a mortgage loan originator's name, NMLS number,
3 contact information, and signature may be entered. In at least one loan originated by Alanna Ellis,
4 those fields contained Bradley Ellis's name, NMLS number, contact information, and apparent
5 signature. By allowing those fields to contain Bradley Ellis's information rather than Alanna Ellis's
6 information, Bradley Ellis and Alanna Ellis held out at least one loan as being originated by Bradley
7 Ellis when Alanna Ellis had in fact originated the loan. Moreover, Bradley Ellis received
8 compensation for at least one loan originated by Alanna Ellis, and he knew or should have known
9 that Alanna Ellis was acting as a mortgage loan originator without a license by originating at least
10 one loan using loan documents bearing his name, NMLS number, contact information, or signature.

11 **1.6 Failing to Maintain Records.** On or about August 18, 2016, the Department issued a
12 directive to Podium seeking evidence relevant to the Department's investigation of Respondents. In
13 the directive, the Department required Podium to produce copies of every e-mail between Alanna
14 Ellis's e-mail address aellis@absolutemortgage.com and sixteen Washington State consumers who
15 applied for loans originated by Bradley Ellis or Alanna Ellis. On or about September 7, 2016,
16 Podium notified the Department that all of the e-mails were destroyed on or about the date Alanna
17 Ellis's employment at Podium ended.

18 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the
19 Act by Respondents continues to date.

20 II. GROUNDS FOR ENTRY OF ORDER

21 **2.1 Responsibility for Conduct of Employees.** Pursuant to RCW 31.04.027(2), RCW
22 31.04.165, and WAC 208-620-372, a consumer loan company is responsible for any conduct
23

1 violating the Act and chapter 208-620 WAC by any person employed in the business covered by the
2 consumer loan company license.

3 **2.2 Employing Scheme, Device, or Artifice to Defraud or Mislead.** Based on the Factual
4 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.04.027(1)
5 for directly or indirectly employing any scheme, device, or artifice to defraud or mislead any
6 borrower, to defraud or mislead any lender, or to defraud or mislead any person.

7 **2.3 Unfair or Deceptive Practice.** Based on the Factual Allegations set forth in Section I above,
8 Respondents are in apparent violation of RCW 31.04.027(2) for directly or indirectly engaging in any
9 unfair or deceptive practice toward any person.

10 **2.4 Obtaining Property by Misrepresentation.** Based on the Factual Allegations set forth in
11 Section I above, Respondents are in apparent violation of RCW 31.04.027(3) for directly or indirectly
12 obtaining property by fraud or misrepresentation.

13 **2.5 Unlicensed Activity.** Based on the Factual Allegations set forth in Section I above, Podium
14 and Alanna Ellis are in apparent violation of RCW 31.04.221 by engaging in the business of a
15 mortgage loan originator without first obtaining and maintaining annually a license under the Act.

16 **2.6 Aiding and Abetting Unlawful Mortgage Loan Originator Activity.** Based on the Factual
17 Allegations set forth in Section I above, Podium and Bradley Ellis is in apparent violation of RCW
18 31.04.027(2) and RCW 31.04.175 for aiding and abetting unlawful mortgage loan originator activity
19 by Alanna Ellis.

20 **2.7 Employing Individual with Disqualifying Convictions.** Based on the Factual Allegations
21 set forth in Section I above, Podium is in apparent violation of RCW 31.04.027(2) and WAC 208-
22 620-371 for employing a person to who has been convicted of a felony in a domestic court involving
23 an act of fraud, dishonesty, or breach of trust and who participates in the affairs of any licensee.

1 **2.8 Failing to Maintain Records.** Based on the Factual Allegations set forth in Section I above,
2 Podium is in apparent violation of RCW 31.04.155 for failing to preserve the books, accounts,
3 records, papers, documents, files, and other information relevant to a loan for at least three years after
4 making final entry on any loan or keep such books, accounts, records, papers, documents, files, and
5 other information as would enable the Director to determine whether Respondent was in compliance
6 with the Act.

7 **III. AUTHORITY TO IMPOSE SANCTIONS**

8 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
9 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
10 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
11 violates any provision of the Act.

12 **3.2 Authority to Revoke License.** Pursuant to RCW 31.04.093(3), the Director may revoke a
13 license issued under the Act if the Director finds that a licensee, either knowingly or without exercise
14 of due care, has violated any provision of the Act or any rule adopted under the Act.

15 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
16 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
17 employee, or any other person subject to the Act for a violation of RCW 31.04.027 of failure to
18 obtain a license for activity that requires a license.

19 **3.4 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
20 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
21 any other person subject to the Act for any violation of the Act.

1 **3.5 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
2 590, every licensee investigated by the Director or the Director’s designee shall pay for the cost of
3 the investigation, calculated at the rate of \$69.01 per staff hour devoted to the investigation.

4 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
5 may recover the state’s costs and expenses for prosecuting violations of the Act.

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

7 Respondents’ violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
8 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
9 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and
10 RCW 31.04.205. Therefore, it is the Director’s intention to ORDER that:

- 11 **4.1** Alanna Grace Ellis cease and desist from originating residential mortgage loans until
12 she obtains and maintains a license to do so under the Act.
- 13 **4.2** Podium Mortgage Capital LLC’s consumer loan company license be revoked.
- 14 **4.3** Bradley Ernst Ellis and Alanna Grace Ellis be prohibited from participation in the
15 conduct of the affairs of any consumer loan company subject to licensure by the
16 Director.
- 17 **4.4** Podium Mortgage Capital LLC pay a fine. As of the date of this Statement of
18 Charges, the final totals \$50,000.00.
- 19 **4.5** Bradley Ernst Ellis and Alanna Grace Ellis jointly and severally pay a fine. As of the
20 date of this Statement of Charges, the fine totals \$10,000.00.
- 21 **4.6** Podium Mortgage Capital LLC, Bradley Ernst Ellis, and Alanna Grace Ellis jointly
22 and severally pay an investigation fee. As of the date of this Statement of Charges, the
23 investigation fee totals \$3,519.51.
- 24 **4.7** Podium Mortgage Capital LLC, Bradley Ernst Ellis, and Alanna Grace Ellis pay the
Department’s costs and expenses for prosecuting violations of the Act in an amount to
be determined at hearing or by declaration with supporting documentation in event of
default by Respondent.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist,
3 Prohibit from Industry, Impose Fine, Collect Investigation Fee, and Collect Costs and Expenses of
4 Prosecution (Statement of Charges) is entered pursuant to the provisions of RCW 31.04.093, RCW
5 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05
6 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
7 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
8 accompanying this Statement of Charges.

9
10 Dated this 7th day of June, 2017.

11 /s/
12 CHARLES E. CLARK
13 Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

17 /s/
18 AMANDA J. HERNDON
19 Financial Legal Examiner

20 Approved by:

21 /s/
22 STEVEN C. SHERMAN
23 Enforcement Chief