

ORDER SUMMARY – Case Number: C-15-1829

Name(s): Brett Todd Green

Order Number: C-15-1829-16-CO01

Effective Date: 10/04/2016

License Number: 114787
Or NMLS Identifier [U/L] _____

License Effect: None

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: _____

Investigation Costs	\$1,000	Due 3/1/17	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$5,000	Due 3/1/17	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,500	Due	Paid <input checked="" 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: Six monthly payments of \$1,000 due between 10/1/16 and 3/1/17

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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:

No.: C-15-1829-16-CO01

CONSENT ORDER

BRETT T. GREEN,
NMLS #114787,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Charles E. Clark, Division Director, Division of Consumer Services, and Brett T. Green
(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 31.04 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-15-1829-15-SC01 (Statement of Charges), entered January 5, 2016, (copy attached hereto).
Pursuant to chapter 31.04 RCW, the Consumer Loan 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 his right to a
4 hearing before an administrative law judge, and hereby waive 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. **Cease and Desist.** It is AGREED that Respondent shall cease and desist from engaging
9 in business relating to mortgage brokering or mortgage loan origination outside of his capacity as a
10 mortgage loan originator sponsored by a consumer loan licensee. It is further AGREED that
11 prohibited mortgage brokering or mortgage loan origination activity shall include: consulting,
12 handling applicants' funds, organizing or reviewing applications, and any other clerical or
13 administrative tasks related to mortgage lending.

14 D. **Nationwide Multistate Licensing System (NMLS).** It is AGREED that Respondent has
15 updated NMLS to disclose the civil action in the Statement of Charges.

16 E. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
17 \$5,000.

18 F. **Restitution.** It is AGREED that Respondent has paid restitution to the consumer
19 identified in the Statement of Charges in the amount of \$2,500.

20 G. **Investigation Fee.** It is AGREED that Respondent shall pay an investigation fee to the
21 Department in the amount of \$1,000.

22 H. **Payments.** It is AGREED that Respondent shall pay the Fine and Investigation Fee to the
23 Department in the form of six cashier's checks, each in the amount of \$1,000, made payable to the

1 "Washington State Treasurer," to be received by the Department by the close of business on the first
2 day of each month beginning on October 1, 2016, and ending on March 1, 2017.

3 I. **Rights of Non-Parties.** It is AGREED that the Department does not represent or have the
4 consent of any person or entity not a party to this Consent Order to take any action concerning their
5 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent
6 Order, this Consent Order does not limit or create any private rights or remedies against Respondent,
7 limit or create liability of Respondent, or limit or create defenses of Respondent to any claims.

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

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

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

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18 **RESPONDENT:**

19 [Redacted Signature] _____
BRETT T. GREEN

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24 Date 9/21/16

DO NOT WRITE BELOW THIS LINE

1 THIS ORDER ENTERED THIS 4th DAY OF October, 2016.



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3 [Redacted signature]

4 CHARLES E. CLARK
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by:

9 [Redacted signature]

10 KENNETH J. SUGIMOTO
11 Financial Legal Examiner

12 Approved by:

13 [Redacted signature]

14 STEVEN C. SHERMAN
15 Enforcement Chief

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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:

BRETT T. GREEN,
NMLS #114787,

Respondent.

No.: C-15-1829-15-SC01

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

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INTRODUCTION

Pursuant to RCW 31.04.165 and RCW 31.04.168, 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).¹ After having conducted an investigation pursuant to RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Prohibit from Industry, Impose Fine, Order Restitution, Collect Investigation Fee, and Recover Costs and Expenses (Statement of Charges), the Director, through his designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

1.1 Brett T. Green (Respondent) was originally licensed by the Department of Financial Institutions of the State of Washington (Department) as a mortgage loan originator on or about November 1, 2007. On or about January 5, 2015, Respondent submitted an application to the Department through the Nationwide Mortgage Licensing System and Registry (NMLS) to renew his license under Bay Equity, LLC (Bay Equity), a consumer loan company licensed under the Act. On

¹ RCW 31.04 (Amended 2009; Effective January 1, 2010)

1 or about January 8, 2015, the Department approved Respondent's license application, and
2 Respondent continues to be licensed as of the date of this Statement of Charges.

3 **1.2 Prohibited Practices.** In or around April 2015, Respondent induced consumer D.N. to
4 provide Respondent with a check in the amount of \$2,500 by claiming that Respondent would obtain
5 a residential mortgage loan for consumer D.N. in exchange for the funds. On or about April 11,
6 2015, consumer D.N. provided a check to Respondent in the amount of \$2,500. On or about April
7 14, 2015, Respondent cashed the check received from consumer D.N. The \$2,500 provided by
8 consumer D.N. to Respondent was not provided to Bay Equity, not applied toward any loan or
9 legitimate fee for obtaining a loan, and not returned to consumer D.N.

10 **1.3 Termination.** On or about May 15, 2015, Respondent was discharged by Bay Equity based
11 on Respondent's conduct identified in Section 1.2.

12 **1.4 Civil Action.** On or about November 18, 2011, the Federal Deposit Insurance Corp. (FDIC)
13 filed a complaint against Respondent and other persons in Case No. 11-cv-05953 in the United States
14 District Court for the Western District of Washington alleging that Respondent and other persons
15 were liable for damages as a result of the performance, nonperformance, and manner of performance
16 of their respective functions, duties, and acts as directors or officers of Westsound Bank. On or about
17 November 7, 2012, the FDIC and Respondent entered a settlement agreement dismissing Respondent
18 from Case No. 11-cv-05953. On or about November 15, 2012, the United States District Court for
19 the Western District of Washington dismissed Case No. 11-cv-05953 pursuant to the settlement
20 agreement.

21 **1.5 Responses to Application Questions.** The "Civil Judicial Disclosure" section of the NMLS
22 Uniform Individual Mortgage License/Registration & Consent form (Form MU4) consists of five
23 questions. The required New Application Checklist includes the following instruction: "Provide

1 complete details of all events or proceedings for any “Yes” answer to any of the disclosure questions
2 on your MU4 filing.” Respondent answered “No” to the following question on the “Civil Judicial
3 Disclosure” section of his Form MU4:

- 4 • (J)(1)(c) Has any domestic or foreign court ever dismissed, pursuant to a settlement
5 agreement, a financial services-related civil action brought against you by a state, federal,
6 or foreign financial regulatory authority?

7 The “Termination Disclosure” section of the Form MU4 consists of two questions. Respondent
8 answered “No” to the following questions on the “Termination Disclosure” section of his form MU4:

- 9 • (Q)(1) Have you ever voluntarily resigned, been discharged, or permitted to resign after
10 allegations were made that accused you of violating statute(s), regulation(s), rule(s), or
11 industry standards of conduct?
- 12 • (Q)(2) Have you ever voluntarily resigned, been discharged, or permitted to resign after
13 allegations were made that accused you of fraud, dishonesty, theft, or the wrongful taking
14 of property?

15 Respondent was obligated by statute to answer questions on the Form MU4 truthfully and to provide
16 the Department with complete details of all events or proceedings. Respondent attested, under
17 penalty of perjury, to the accuracy and completeness of the Form MU4, and to keep the information
18 in his Form MU4 current. As of the date of this Statement of Charges, Respondent has not disclosed
19 the termination identified in Section 1.3 or the dismissal of the civil action identified in Section 1.4 to
20 the Department.

21 II. GROUNDS FOR ENTRY OF ORDER

22 **2.1 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above,
23 Respondent is in apparent violation of 31.04.027(2) and (3), and WAC 208-620-700(5) for directly or

1 indirectly engaging in any unfair or deceptive practice toward any person and charging a borrower a
2 fee in connection with a residential mortgage loan.

3 **2.2 Requirement to Amend Information on License Application.** Based on the Factual
4 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(2)
5 and WAC 208-620-710(27)(a) and (d) for failing to amend information on his NMLS license
6 application within 10 business days of a change in his answers to the NMLS generated disclosure
7 questions, and a change in the information supplied to the Director in his original application.

8 III. AUTHORITY TO IMPOSE SANCTIONS

9 **3.1 Authority to Revoke Loan Originator License.** Pursuant to RCW 31.04.093(3), the
10 Director may revoke a license if the licensee, either knowingly or without the exercise of due care,
11 has violated the Act or any rule adopted under the Act.

12 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 31.04.093(6), the Director may
13 issue orders removing from office or prohibiting from participation in the conduct of the affairs of
14 any loan originator for false statements or omission of material information from an application for a
15 license that, if known, would have allowed the director to deny the original application for a license;
16 or a violation of RCW 31.04.027.

17 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
18 up to one hundred dollars per day, per violation, upon a loan originator for any violation of the Act.

19 **3.4 Authority to Order Restitution.** Pursuant to RCW 31.04.093(5), the Director may issue an
20 order directing a loan originator to make a refund or restitution to a borrower or other person who is
21 damaged as a result of a violation of the Act.

1 **3.5 Authority to Collect 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, the Director may
5 recover the State's costs and expenses for prosecuting violations of the Act.

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

7 Respondent's 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 31.04.145, RCW
10 31.04.165, RCW 31.04.168, and RCW 31.04.205. Therefore, it is the Director's intention to ORDER
11 that:

12 **4.1** Respondent Brett T. Green's mortgage loan originator license be revoked.

13 **4.2** Respondent Brett T. Green be permanently prohibited from participation, in any
14 manner, in the conduct of the affairs of any mortgage loan originator subject to
licensure by the Director under chapter 31.04 and chapter 19.146.

15 **4.3** Respondent Brett T. Green pay a fine of \$9,000.

16 **4.4** Respondent Brett T. Green pay restitution to the consumer identified in Section 1.2 in
the amount of \$2,500.

17 **4.5** Respondent Brett T. Green pay an investigation fee. As of the date of this Statement
18 of Charges the investigation fee totals \$1,000.

19 **4.6** Respondent Brett T. Green pay the Department's costs and expenses for prosecuting
20 violations of the Act in an amount to be determined at hearing or by declaration with
supporting documentation in event of default by Respondent.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 31.04.093, RCW
3 31.04.145, RCW 31.04.165, RCW 31.04.168, RCW 31.04.202, and RCW 31.04.205, and is subject to
4 the provisions of chapter 34.05 RCW, the Administrative Procedure Act. Respondent may make a
5 written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
6 OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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8 Dated this 5th day of January, 2016.



9 [Redacted Signature]
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11 CHARLES E. CLARK
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

13 Presented by:

14 [Redacted Signature]
15 KENNETH J. SUGIMOTO
16 Financial Legal Examiner

17 Approved by:

18 [Redacted Signature]
19 STEVEN C. SHERMAN
20 Enforcement Chief