

ORDER SUMMARY – Case Number: C-18-2369

Name(s): Brenton Joseph Sconce

Order Number: C-18-2369-18-CO01

Effective Date: 12/18/18

License Number: NMLS #1686941
Or NMLS Identifier [U/L]

License Effect: License Application Denied; Prohibition from Industry

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$ 1,800		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 12/11/18
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
Financial Literacy and Education	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments: _____

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 License Application Denial.** It is AGREED that
10 Respondent does not currently hold a mortgage loan originator license, and Respondent's mortgage
11 loan originator license application is denied.

12 D. **Prohibition from Industry.** It is AGREED that Respondent is prohibited from
13 participating, in any capacity, in the conduct of the affairs of any mortgage broker or consumer loan
14 company licensed by the Department or subject to licensure or regulation by the Department.

15 E. **Application for License.** It is AGREED that Respondent shall not apply to the
16 Department for any license under any name.

17 F. **Investigation Fee and Costs of Prosecution.** It is AGREED that upon entry of this
18 Consent Order Respondent shall pay to the Department \$1,800 for the Investigation Fee and Costs of
19 Prosecution. Payment shall be in the form of a cashier's check made payable to the "Washington
20 State Treasurer."

21 G. **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

1 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
2 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

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

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

7 **RESPONDENT:**

8 Brenton Joseph Sconce

9 By:

10 /s/
11 Brenton Joseph Sconce
12 Individually

11/29/18
Date

13 Approved for Entry:

14 /s/
15 Steven Schneider, WSBA No. 22622
16 Attorney at Law, P.S.
Attorney for Respondent

/s/
Date

17 **DO NOT WRITE BELOW THIS LINE**

18 THIS ORDER ENTERED THIS 18th DAY OF December, 2018.

19 /s/
20 CHARLES E. CLARK
21 Director
22 Division of Consumer Services Department
23 of Financial Institutions

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Presented by:

Approved by:

/s/
KRISTINA M. SHENEFELT
Financial Legal Examiner

/s/
STEVEN C. SHERMAN
Enforcement Chief

1
2
3
4
5
6
7

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

IN THE MATTER OF INVESTIGATING the
Loan Originator License Application under the
Consumer Loan Act of Washington by:

BRENTON JOSEPH SCONCE,
NMLS #1686941,

Respondent.

No. C-18-2369-18-SC01

STATEMENT OF CHARGES,
NOTICE OF INTENT TO ENTER AN
ORDER TO DENY APPLICATION FOR
LICENSE, PROHIBIT FROM THE
INDUSTRY, COLLECT INVESTIGATION
FEE, and RECOVER COSTS AND
EXPENSES

8
9
10
11
12
13
14

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). After having conducted an investigation pursuant to
RCW 31.04.247, and based upon the facts available as of the date of this Statement of Charges, the
Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes
this proceeding and finds as follows:

15
16
17
18
19
20
21

I. FACTUAL ALLEGATIONS

1.1 Respondent Brenton Joseph Sconce (Respondent) submitted an application to the
Department of Financial Institutions of the State of Washington (Department) for a mortgage loan
originator license (MLO) under Heritage Home Loans, a consumer loan company licensed under the
Act. The license application was received by the Department, through the Nationwide Mortgage
Licensing System and Registry (NMLS), on or about November 21, 2017. As of the date of this
Statement of Charges, the license application is pending.

1.2 Prior Felony Guilty Plea. On or about April 20, 2009, in the District Court of Beltrami
County, Minnesota, Respondent entered a felony guilty plea for a crime of dishonesty.

1 **1.3 Failure to Disclose Prior Guilty Plea.** Respondent’s MLO application required the
2 submission of a Multistate Uniform Individual Licensure Form (MU4 Form), which contains a series
3 of disclosure questions. The following question is included in the MU4 Form:

4 **Criminal Disclosure**

5 Have you ever been convicted of or pled guilty or nolo contendere (“no contest”) in a
6 domestic, foreign, or military court to any felony?

7 Respondent answered “no” to this question. Respondent was obligated by statute to answer questions
8 on the MU4 Form truthfully and to provide the Department with complete details of all events or
9 proceedings for all events relevant to the above stated questions. Respondent did not provide details,
10 documents, or other statements in his MU4 Form regarding his prior felony guilty plea.

11 **1.4 False Attestation.** On or about November 21, 2017, Respondent attested, under penalty of
12 perjury, that the information and statements contained within the MU4 Form are “current, true,
13 accurate, and complete[.]” To date, Respondent’s MU4 Form has not been updated to disclose the
14 prior guilty plea.

15 **1.5 False Statement.** Respondent’s MLO application included an Employment History section,
16 and Respondent stated that from July 2008 to August 2009 he was “Unemployed for Family Issues.”
17 Respondent was employed with Wells Fargo in Bemidji, Minnesota from July 15, 2008 to October
18 15, 2008.

19 **1.6 Character and General Fitness.** On or around October 16, 2008, it was discovered that
20 Respondent had altered Wells Fargo’s bank records to deliver a customer’s ATM card to
21 Respondent’s home. In the following weeks, Respondent made unauthorized withdrawals and
22 charges in excess of \$14,000 from the customer’s account.

23 **1.5 On-Going Investigation.** The Department’s investigation into the alleged violations of the
24 Act by Respondent continues to date.

1 **II. GROUNDS FOR ENTRY OF ORDER**

2 **2.1 Requirement of No Prior Felony Guilty Plea.** Based on the Factual Allegations set forth in
3 Section I above, Respondent fails to meet the requirements of RCW 31.04.247(1)(d) and WAC 208-
4 620-710(4)(c) by having been convicted of, or having pled guilty or nolo contendere to, a felony in a
5 domestic, foreign, or military court: (i) during the seven-year period preceding the date of the
6 application for licensing and registration; or (ii) at any time preceding the date of application, if the
7 felony involved an act of fraud, dishonesty, breach of trust, or money laundering.

8 **2.2 False Statements and Omissions of Material Facts.** Based on the Factual Allegations set
9 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(8) and WAC 208-
10 620-550(6) by negligently making false statements or willfully making omissions of material facts in
11 connection with any investigation conducted by the Department or in connection with any
12 application.

13 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent
14 is in apparent violation of RCW 31.04.027(2) by engaging in an unfair or deceptive practice toward
15 any person.

16 **2.4 Requirement to Demonstrate Character and General Fitness.** Based on the Factual
17 Allegations set forth in Section I above, Respondent fails to meet the requirements of RCW
18 31.04.247(1)(e) and WAC 208-620-710 by failing to demonstrate character and general fitness such
19 as to command the confidence of the community and to warrant a determination that the mortgage
20 loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.

21 //
22 //
23 //
24 //

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Deny Application for Mortgage Loan Originator License.** Pursuant to RCW
3 31.04.093(2), the Director may deny applications for licenses. Pursuant to RCW 31.04.247(2), the
4 Director shall not issue a mortgage loan originator license if the director finds the conditions of RCW
5 31.04.247 have not been met.

6 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6)(a), the Director
7 may issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
8 employee, or any other person subject to the Act for making false statements or omitting material
9 information from an application for a license that, if known, would have allowed the director to deny
10 the original application for a license, or for committing a violation of RCW 31.04.027.

11 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
12 610(7), the Director may charge and collect an investigation fee calculated at \$69.01 per hour.

13 **3.4 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
14 may recover the state’s costs and expenses for prosecuting violations of the Act.

15 **IV. NOTICE OF INTENT TO ENTER ORDER**

16 Respondent’s violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
17 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
18 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW
19 31.04.205, and RCW 31.04.247. Therefore, it is the Director’s intent to ORDER that:

- 20 4.1 Respondent Brenton Joseph Sconce application for a mortgage loan originator license
21 be denied.
- 22 4.2 Respondent Brenton Joseph Sconce be prohibited from participation in the conduct of
23 the affairs of any consumer loan company or mortgage broker company subject to
24 licensure by the Director, in any manner.
- 4.3 Respondent Brenton Joseph Sconce pay an investigation fee. As of the date of this
Statement of Charges, the investigation fee totals \$1,473.36.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

4.4 Respondent Brenton Joseph Sconce 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 Intent to Enter an Order to Deny Application for
3 License, Prohibit from the Industry, Collect Investigation Fee, and Recover Costs and Expenses
4 (Statement of Charges) is issued pursuant to the provisions of RCW 31.04.093, RCW 31.04.165,
5 RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05 RCW, the
6 Administrative Procedure Act. Respondent may make a written request for a hearing as set forth in
7 the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE HEARING AND TO DEFEND
8 accompanying this Statement of Charges.

9 Dated this 21st day of May, 2018.

10
11 /s/
12 CHARLES E. CLARK
13 Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

17 /s/
18 KRISTINA M. SHENEFELT
19 Financial Legal Examiner

20 Approved by:

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