

ORDER SUMMARY – Case Number: C-20-2928

Names: Sunray Mortgage LLC; Reagan Lee Judd; Vance Bishop Wells;
John Gerald Williams

Order Number: C-20-2928-20-CO01

Effective Date: 8/19/2020

License Number: 1776286
Or NMLS Identifier [U/L]

License Effect: Surrendered

Not Apply Until: 8/19/2025

Not Eligible Until:

Prohibition/Ban Until:

Investigation Costs	\$ 500		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 8/19/20
Fine	\$ 2,500	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments: Fine has been stayed in its entirety for five year period from date of CO entry.

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:

No.: C-20-2928-20-CO01

CONSENT ORDER

5 SUNRAY MORTGAGE, LLC,
NMLS #1776286,
6 REAGAN LEE JUDD, Managing Director,
VANCE BISHOP WELLS, Managing Director,
7 JOHN GERALD WILLIAMS, Mortgage Loan
Originator and Control Person, NMLS #305340,
8
9 Respondents.

10 COMES NOW the Director of the Department of Financial Institutions (Director), through his
11 designee Lucinda Fazio, Director, Division of Consumer Services, and Sunray Mortgage, LLC,
12 Reagan Lee Judd, Vance Bishop Wells, and John Gerald Williams (Respondents), and finding that
13 the issues raised in the above-captioned matter may be economically and efficiently settled, agree to
14 the entry of this Consent Order. This Consent Order is entered pursuant to Revised Code of
15 Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative
16 Procedure Act, based on the following:

17 **FINDINGS OF FACT**

18 **1.1** On or about August 19, 2019, Respondent Sunray Mortgage, LLC (Respondent Sunray)
19 obtained a license from the Department of Financial Institutions of the State of Washington
20 (Department) to conduct the business of a consumer loan company. On or about January 30, 2020,
21 Respondents submitted a request to close Respondent Sunray's license. Respondents did not submit
22 the proper closure forms, annual reports, and worksheet, and did not pay any fees owed to the
23

1 Department within the required thirty days of submitting the closure request. Respondents eventually
2 filed all necessary documentation on or about May 29, 2020.

3 **1.2** On or about February 12, 2020, the Department was notified by Respondent Sunray's bond
4 issuer that Respondent Sunray's surety bond would be canceled effective March 29, 2020.
5 Respondents did not notify the Department of the bond cancellation within the required ten days of
6 being notified by the surety. Respondent Sunray's license remained active without a replacement
7 bond in place past the effective date of cancellation of the company's original surety bond.

8 **CONCLUSIONS OF LAW**

9 **2.1** Based on the above Findings of Fact, Respondents violated RCW 31.04.155 by failing to
10 timely submit proper license closure documentation, as required pursuant to WAC 208-620-499.

11 **2.2** Based on the above Findings of Fact, Respondents violated RCW 31.04.155 by failing to
12 timely notify the Department of a cancelation of Respondent Sunray's surety bond, as required
13 pursuant to WAC 208-620-570(6).

14 **2.3** Based on the above Findings of Fact, Respondents violated RCW 31.04.045(4) by failing to
15 replace Respondent Sunray's canceled surety bond while the company's license remained active.

16 **AGREEMENT AND ORDER**

17 The Department and Respondents have agreed upon a basis for resolution of the Findings of
18 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
19 RCW 34.05.060, Respondents and the Department agree to entry of this Consent Order and further
20 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
21 Consent Order. Respondents hereby admit the Findings of Fact and Conclusions of Law identified in
22 this Consent Order.

23 Based upon the foregoing:

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

3 **B. Waiver of Hearing.** It is AGREED that Respondents hereby waive any right they have to a
4 hearing and any and all administrative and judicial review of the issues raised in this matter or the
5 resolution reached herein.

6 **C. Consumer Loan License Surrendered.** It is AGREED that upon entry of this Consent
7 Order the Department shall accept the surrender of Respondent Sunray's Consumer Loan license.

8 **D. Future License Applications.** It is AGREED that Respondents will refrain from
9 applying for or obtaining either a consumer loan company license or a mortgage broker company
10 license for a period of five (5) years from the date of entry of this Consent Order.

11 **E. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
12 \$2,500. It is further AGREED that the Department will stay the fine in its entirety for a period of five
13 (5) years from the date of entry of this Consent Order, at which point the stayed portion of the fine
14 shall be withdrawn, unless the stay is lifted pursuant to Paragraph F prior to the end of the five-year
15 period.

16 **F. Lifting the Stay and Imposing the Fine.** It is AGREED that:

- 17 i. If the Department determines that Respondents have not complied with the terms of
18 this Consent Order to a degree sufficient to warrant imposition of the full amount of
19 the fine, and the Department accordingly seeks to lift the stay and impose the full
20 amount of the fine set forth in Paragraph E above, the Department will first notify
21 Respondents in writing of its determination.
- 22 ii. The Department's notification will include:
- 23 a. A description of the alleged noncompliance;
- 24 b. A statement that because of the noncompliance, the Department seeks to lift the
stay and impose the full amount of the fine;

- c. The opportunity for Respondents to contest the Department’s determination of noncompliance in an administrative hearing before an Administrative Law Judge (ALJ) of the Office of Administrative Hearings (OAH); and
- d. A copy of this Consent Order. The notification and hearing process provided in this Consent Order applies only to this Consent Order. It is solely provided in the event Respondents choose to contest the Department’s determination of noncompliance.
- iii. Respondents will be afforded twenty (20) business days from the date of receipt of the Department’s notification to submit a written request to the Department for an administrative hearing to be held before an ALJ from the OAH.
- iv. The scope and issues of the hearing are limited solely to whether or not Respondents are in violation of the terms of this Consent Order to a degree sufficient to warrant imposition of the full amount of the fine.
- v. At the conclusion of the hearing, the ALJ will issue an initial decision. Either party may file a Petition for Review with the Director of the Department.

G. Investigation Fee. It is AGREED that Respondents shall pay an investigation fee to the Department in the amount of \$500 in the form of a cashier’s check made payable to the “Washington State Treasurer” upon delivery of this Consent Order to the Department, properly dated and signed.

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

I. Voluntarily Entered. It is AGREED that Respondents have voluntarily entered into this Consent Order, which is effective when signed by the Director’s designee.

J. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read this Consent Order in its entirety and fully understand and agree to all of the same.

//

//

1 **K. Authority to Execute Order.** It is AGREED that the undersigned authorized
2 representative has represented and warranted that he has the full power and right to execute this
3 Consent Order on behalf of Respondent Sunray.

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

8 //

9 //

10 //

11 //

12 //

13 //

14 //

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

1 **RESPONDENTS:**

Sunray Mortgage, LLC

2 By:

3 /s/_____

John Gerald Williams

4 Control Person

8-10-2020_____

Date

5 /s/_____

Reagan Lee Judd

6 Individually

8-10-2020_____

Date

7 /s/_____

Vance Bishop Wells

8 Individually

8-10-2020_____

Date

9 /s/_____

John Gerald Williams

10 Individually

8-10-2020_____

Date

11 **DO NOT WRITE BELOW THIS LINE**

12 THIS ORDER ENTERED THIS 19th DAY OF August, 2020.

14 /s/_____

Lucinda Fazio, Director

15 Division of Consumer Services

16 Department of Financial Institutions

17 Presented by:

19 /s/_____

BRETT CARNAHAN

20 Financial Legal Examiner

21 Approved by:

22 /s/_____

23 STEVEN C. SHERMAN

Enforcement Chief