

ORDER SUMMARY
Consumer Services Division Case Number C-23-3558

***Final Orders** resolve investigations where individuals or companies have been charged and then the Department has imposed sanctions.*

Once DFI serves the Final Order on the individual or company, they have 30 days to petition (formally ask) the Director of DFI to reconsider. The company or individual can appeal in superior court.

Name(s)	Damon Lorraine McPherson, Sr., NMLS #2047413
Order Number	C-23-3558-23-FO01
Date issued	July 25, 2023

What does this Final Order require?

- **All terms of this order are complete.**
- Respondent's application for a mortgage loan originator license is denied.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or cseforcecomplaints@dfi.wa.gov. *Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.*

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

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

No.: C-23-3558-23-FO01

DAMON LARRAINE McPHERSON, SR.,
NMLS #2047413

FINAL ORDER

Respondent.

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I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Lucinda Fazio (Director's designee), pursuant to RCW 34.05.440(1). On June 2, 2023, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intent to Enter an Order to Deny License Application (Statement of Charges) against Damon Larraine McPherson, Sr. (Respondent). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated June 5, 2023, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

On June 5, 2023, the Department served Respondent with the Statement of Charges and accompanying documents by First-Class mail and by Federal Express overnight delivery. The Department received confirmation that the documents sent by Federal Express were delivered to Respondent on June 7, 2023.

1 Respondent did not request an adjudicative hearing within twenty calendar days after the
2 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for
3 in WAC 208-08-050(2).

4 B. Record Presented. The record presented to the Director’s designee for her review and
5 for entry of a final decision included the following: Statement of Charges, cover letter dated June 5,
6 2023, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for
7 Adjudicative Hearing for Respondent, with documentation for service.

8 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the
9 Director’s designee hereby adopts the Statement of Charges, which is attached hereto.

10 II. FINAL ORDER

11 Based upon the foregoing, and the Director’s designee having considered the record and being
12 otherwise fully advised, NOW, THEREFORE:

13 A. IT IS HEREBY ORDERED, That:

14 Respondent Damon Lorraine McPherson, Sr.’s application for a license to conduct the
15 business of a mortgage loan originator is denied.

16 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
17 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
18 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
19 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
20 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
21 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
22 Reconsideration a prerequisite for seeking judicial review in this matter.

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1 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the
2 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a
3 written notice specifying the date by which it will act on a petition.

4 C. Stay of Order. The Director's designee has determined not to consider a Petition to
5 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
6 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

7 D. Judicial Review. Respondent has the right to petition the superior court for judicial
8 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for
9 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

10 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial
11 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
12 attached hereto.

13 DATED this 25th day of July, 2023.



14 STATE OF WASHINGTON
15 DEPARTMENT OF FINANCIAL INSTITUTIONS

16  _____
17 LUCINDA FAZIO, Director
18 Division of Consumer Services

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

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

DAMON LARRAINE McPHERSON, SR.,
NMLS #2047413,

Respondent.

No.: C-23-3558-23-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO DENY LICENSE
APPLICATION

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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 his designee, Division of Consumer Services Director Lucinda Fazio, institutes this
proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

1.1 Damon Larraine McPherson, Sr. (Respondent) submitted an application to the Department
of Financial Institutions of the State of Washington (Department) for a mortgage loan originator
license under Guaranteed Rate, Inc., a consumer loan company licensed under the Act. The
Department received the license application through the Nationwide Mortgage Licensing System and
Registry, on or about July 22, 2022.

1.2 Prior Criminal Conviction. On or about November 23, 1993, in Benton County Circuit
Court, Corvallis, Oregon, Respondent entered a guilty plea to two felony [REDACTED]

1 **1.3 Unfair or Deceptive Act or Practice.** On or about July 22, 2022, Respondent submitted his
2 application through the Nationwide Mortgage Licensing System and Registry, for Department
3 review. Under the disclosure question section there is a subsection for criminal disclosures. Question
4 F(1) asks, “Have you ever been convicted of or pled guilty or nolo contendere (“no contest”) in a
5 domestic, foreign, or military court to any felony?” The Respondent answered, “No” to that question.
6 The Respondent did not disclose his conviction described in the previous section at that time in
7 response to question F(1).

8 **1.4 On-Going Investigation.** The Department’s investigation into Respondent continues to date.

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

10 **2.1 Requirement of No Prior Felony Guilty Plea.** Based on the Factual Allegations set forth in
11 Section I above, Respondent fails to meet the requirements of RCW 31.04.247(1)(d) and WAC 208-
12 620-710(4)(c) by having been convicted of, or having pled guilty or nolo contendere to a felony in a
13 domestic, foreign, or military court: (i) during the seven-year period preceding the date of the
14 application for licensing and registration; or (ii) at any time preceding the date of application, if the
15 felony involved [REDACTED]

16 **2.2 Requirement to Meet the Requirements of the Act.** Based on the Factual Allegations set
17 forth in Section I above, Respondent violated RCW 31.04.027(1)(b), and WAC 208-620-550(6), by
18 failing to meet the requirements of the Act, by directly or indirectly engaging in any unfair or
19 deceptive practice toward any person, and by negligently making any false statement or knowingly
20 and willfully making any omission of material fact in connection with any reports filed with the
21 Department by a licensee or in connection with any application, examination or investigation
22 conducted by the Department. Respondent accordingly failed to meet the requirements of RCW
23 31.04.247(1)(b).

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

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

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

6 The applicable provisions of chapter 31.04 RCW and chapter 208-620 WAC, as set forth in
7 the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions,
8 constitute a basis for the entry of an Order under RCW 31.04.165, RCW 31.04.205, and RCW
9 31.04.247. Therefore, it is the Director’s intention to ORDER that:

10 **4.1** Respondent Damon Lorraine McPherson, Sr.’s application for a mortgage loan
originator license be denied.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Deny License
3 Application (Statement of Charges) is issued pursuant to the provisions of RCW 31.04.165, RCW
4 31.04.202, RCW 31.04.205, and RCW 31.04.247, and is subject to the provisions of chapter 34.05
5 RCW, the Administrative Procedure Act. Respondent may make a written request for a hearing as set
6 forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
7 accompanying this Statement of Charges.

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9 Dated this 2nd day of June, 2023.



[Redacted signature]

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LUCINDA FAZIO, Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

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[Redacted name]

JAMES R. BRUSSELBACK
Financial Legal Examiner

Approved by:

[Redacted signature]

JACK McCLELLAN
Enforcement Chief