

Terms Complete
ORDER SUMMARY – Case Number: C-17-2202

Name(s): Nationwide Equities Corporation

Order Number: C-17-2202-19-CO02

Effective Date: 4/11/19

License Number: 1408

License Effect: N/A

Not Apply Until: _____

Not Eligible Until: _____

Prohibition/Ban Until: _____

| | | | | |
|---|--------------------|-----|--|------|
| Investigation Costs | \$ 3,100 | | Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Fine | \$ 20,000 | | Paid <input checked="" 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: \$8,000 of the \$20,000 total Fine has been stayed for a period of two years. Respondent is paying Fine currently due and Investigation costs, for a total of \$15,100 in equal monthly installments of \$2,500 through July 31, 2019. The last payment should be \$2,600.

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-17-2202-19-CO02

CONSENT ORDER

5 Nationwide Equities Corporation,
NMLS #1408,

6 Respondent.

7
8 COMES NOW the Director of the Department of Financial Institutions (Director) and
9 Nationwide Equities Corporation (Respondent), and finding that the issues raised in the above-
10 captioned matter may be economically and efficiently settled, agree to the entry of this Consent
11 Order. This Consent Order is entered pursuant to Revised Code of Washington (RCW) 31.04, the
12 Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the
13 following:

14 **FINDINGS OF FACT**

15 **1.1** On or about June 24, 2013, Respondent obtained a license from the Department of Financial
16 Institutions of the State of Washington (Department) to conduct the business of a consumer loan
17 company. Respondent continues to be licensed by the Department as of the date of this Consent
18 Order.

19 **1.2** From at least August 4, 2016 to the date of this Consent Order, Respondent employed James
20 William Hurdle as a mortgage loan originator. Mr. Hurdle has never been licensed by the Department
21 to conduct business in Washington.

22 **1.3** During his employment with Respondent, Mr. Hurdle engaged in mortgage loan originator
23 activity with at least four Washington consumers.

1 **CONCLUSIONS OF LAW**

2 **2.1** Based on the above Findings of Fact, Respondent violated RCW 31.04.027(2)¹ and RCW
3 31.04.035 by neglecting to prevent loan origination activities with Washington consumers by a
4 mortgage loan originator not licensed in Washington.

5 **AGREEMENT AND ORDER**

6 The Department and Respondent have agreed upon a basis for resolution of the Findings of
7 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
8 RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further
9 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
10 Consent Order.

11 Based upon the foregoing:

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

14 **B. Waiver of Hearing.** It is AGREED that Respondent hereby waives any right it has to a hearing
15 and any and all administrative and judicial review of the issues raised in this matter or the resolution
16 reached herein.

17 **C. Liability.** It is AGREED that the parties intend this Consent Order to fully resolve the
18 matters alleged herein and that Respondent neither admits nor denies any wrongdoing by its entry.

19 **D. Compliance with the Consumer Loan Act.** It is AGREED that Respondent shall comply
20 with the Consumer Loan Act and shall not permit mortgage loan origination activities with
21 Washington consumers to be conducted by mortgage loan originators or other employees without the
22 proper licensure.

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¹ Statutory citations are to that version of the Act in effect at the time of the violation(s).

1 **E. Fine and Stayed Amount.** It is AGREED that Respondent shall pay a fine to the Department
2 in the amount of \$20,000, upon entry of this Consent Order. It is further AGREED that the
3 Department shall stay \$8,000 of the fine for a period of two (2) years from date of entry of this
4 Consent Order, at which point the stayed amount shall be withdrawn unless the stay has been lifted
5 pursuant to paragraph F. The \$12,000 not stayed shall be paid pursuant to paragraph H.

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

- 7 1. If the Department determines that Respondent has not complied with the terms of this
8 Consent Order to a degree sufficient to warrant imposition of a Stayed Fine, and the
9 Department accordingly seeks to lift the stay and impose the Stayed Fine set forth in
10 Paragraph E above, the Department will first notify Respondent in writing of its
11 determination.
- 12 2. The Department's notification will include:
 - 13 a) A description of the alleged noncompliance;
 - 14 b) A statement that because of the noncompliance, the Department seeks to lift
15 the stay and impose the Stayed Fine;
 - 16 c) The opportunity for Respondent to contest the Department's determination of
17 noncompliance in an administrative hearing before an Administrative Law
18 Judge (ALJ) of the Office of Administrative Hearings (OAH); and
 - 19 d) A copy of this Consent Order. The notification and hearing process provided in
20 this Consent Order applies only to this Consent Order. It is solely provided in
21 the event Respondent chooses to contest the Department's determination of
22 noncompliance.
- 23 3. Respondent will be afforded twenty (20) business days from the date of receipt of the
24 Department's notification to submit a written request to the Department for an
administrative hearing to be held before an ALJ from the OAH.
4. Respondent, in addition to their request for hearing, may provide a written response to
include any information pertaining to the alleged noncompliance.
5. The scope and issues of the hearing are limited solely to whether or not Respondent is
in violation of the terms of this Consent Order to a degree sufficient to warrant
imposition of the Stayed Fine.
6. 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.

1 7. If Respondent does not request the hearing within the stated time, the Department will
2 impose the Stayed Fine and pursue whatever action it deems necessary to enforce the
Stayed Fine.

3 **G. Investigation Fee.** It is AGREED that Respondent shall pay an investigation fee to the
4 Department in the amount of \$3,100.

5 **H. Payment of Fine and Investigation Fee.** It is AGREED that Respondent shall pay the total
6 sum currently owed to the Department of \$15,100 by paying equal installments of \$2,500 on a
7 monthly basis until the sum has been completely paid, with the first payment of \$2,500 to be received
8 by the Department when Respondent returns this Consent Order to the Department, fully endorsed.
9 Thereafter, each subsequent monthly payment of \$2,500 must be received by the Department on or
10 before the last day of each month, beginning April 30, 2019, until July 31, 2019. The final payment,
11 due on August 31, 2019, will be \$2,600. Each payment shall be in the form of a cashier's check made
12 payable to the "Washington State Treasurer". The payments shall be applied first to the investigation
13 fee, and then applied to the fine. Respondent may, at any time, pay the entire remaining balance of
14 the sum owed to the Department. If Respondent's payments are not made as agreed, the Department
15 may immediately refer amounts owed to a collection agency without further notice to Respondent.

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

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

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

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

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1 **RESPONDENT:**

2 Nationwide Equities Corporation

3 By:

4 /s/
Glenn Wallace
President

4/1/2019
Date

6 DO NOT WRITE BELOW THIS LINE

7 THIS ORDER ENTERED THIS 11th DAY OF April, 2019.

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

13 Presented by:

14 /s/
15 BRETT CARNAHAN
Financial Legal Examiner

16 Approved by:

17 /s/
18 STEVEN C. SHERMAN
19 Enforcement Chief