

ORDER SUMMARY – Case Number: C-16-2039

Name(s): WJ Bradley Mortgage Capital LLC

Order Number: C-16-2039-17-CO01

Effective Date: 07/5/17

License Number: NMLS #3233
Or NMLS Identifier [U/L] _____

License Effect: REVOKED

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$0	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$0	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: _____

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **DIVISION OF CONSUMER SERVICES**

4 IN THE MATTER OF INVESTIGATING:
Whether there has been a violation of the
Consumer Loan Act of Washington by:

5 W.J. BRADLEY MORTGAGE CAPITAL, LLC,
and WILLIAM JACK BRADLEY, CEO,

6 Respondents.

No.: C-16-2039-17-CO01

7
8 **CONSENT ORDER FOR**
9 **W.J. BRADLEY MORTGAGE**
10 **CAPITAL, LLC**

11 COMES NOW the Director of the Department of Financial Institutions (Director), through
12 her designee Charles E. Clark, Division Director, Division of Consumer Services, and W.J. Bradley
13 Mortgage Capital, LLC (Respondent W.J. Bradley), by and through George L. Miller, Chapter 7
14 Trustee (the "Chapter 7 Trustee") for the bankruptcy estates of W.J. Bradley Mortgage Capital LLC,
15 et al., and finding that the issues raised in the above-captioned matter may be economically and
16 efficiently settled, agree to the entry of this Consent Order solely as to Respondent W.J. Bradley.
17 This Consent Order is entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW),
18 and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

19 **AGREEMENT AND ORDER**

20 The Department of Financial Institutions, Division of Consumer Services (Department) and
21 the Chapter 7 Trustee have agreed upon a basis for resolution of the matters alleged in Statement of
22 Charges No. C-16-2039-16-SC01 (Statement of Charges), entered December 12, 2016, (copy
23 attached hereto). Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW
24 34.05.060 of the Administrative Procedure Act, the Chapter 7 Trustee 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 solely as to Respondent

1 W.J. Bradley. The parties intend this Consent Order to fully resolve the Statement of Charges as to
2 Respondent W.J. Bradley.

3
4 Based upon the foregoing:

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

7 B. **Waiver of Hearing.** It is AGREED that the Chapter 7 Trustee agrees to waive its right to
8 a hearing and instead consents to the entry of this Consent Order.

9 C. **Revocation of License.** It is AGREED that Respondent W.J. Bradley's consumer loan
10 license is revoked upon entry of this Consent Order, and Respondent W.J. Bradley will no longer be
11 authorized to conduct consumer loan company business in Washington State absent further
12 appropriate application with the Department.

13 D. **Authority to Execute Order.** It is AGREED that the Chapter 7 Trustee has the full
14 power and right to execute this Consent Order on behalf of the bankruptcy estate of Respondent W.J.
15 Bradley.

16 E. **Non-Compliance with Order.** It is AGREED that Respondent W.J. Bradley understands
17 that failure to abide by the terms and conditions of this Consent Order by conducting the business of
18 a consumer loan company may result in further legal action by the Director. In the event of such
19 legal action, and subject to Bankruptcy Court approval if required, Respondent W.J. Bradley may be
20 responsible to reimburse the Director for the cost incurred in pursuing such action, including but not
21 limited to, attorney fees.

22 F. **Voluntarily Entered.** It is AGREED that the Chapter 7 Trustee has voluntarily entered
23 into this Consent Order, which is effective when signed by the Director's designee.

1 **G. Completely Read, Understood, and Agreed.** It is AGREED that the Chapter 7 Trustee
2 has read this Consent Order in its entirety and fully understands and agrees to all of the same.

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

7 GEORGE L. MILLER,
8 Chapter 7 Trustee of the Bankrupt Estate of W.J. Bradley Mortgage Capital, LLC

9 By:

10 /s/ _____

6/28/2017 _____

Ronald S. Gellert
DE Attorney #4259

Date

11 Counsel for George L. Miller, Chapter 7 Trustee
12 For the Bankruptcy Estate of W.J. Bradley Mortgage Capital, LLC et al.

13 DO NOT WRITE BELOW THIS LINE

14 THIS ORDER ENTERED THIS 5th DAY OF July, 2017.

15 /s/ _____

16 CHARLES E. CLARK

17 Director

Division of Consumer Services

Department of Financial Institutions

18 Presented by:

19 /s/ _____

20 STEVEN C. SHERMAN
21 Enforcement Chief

**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:

W.J. BRADLEY MORTGAGE CAPITAL, LLC,
and WILLIAM JACK BRADLEY, CEO,

Respondents.

No. C-16-2039-16-SC01

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

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 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the Acting Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

a. W.J. Bradley Mortgage Capital, LLC, (Respondent W.J. Bradley) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a consumer loan company on or about October 26, 2007, and continues to be licensed to date.

b. William Jack Bradley (Respondent Bradley) was CEO of Respondent W.J. Bradley during all times relevant to this Statement of Charges.

1.2 Failure to Pay 2015 Annual Assessment. On or about June 30, 2016, Respondents were provided with notice via the Nationwide Multistate Licensing System & Registry (NMLS) that

1 Respondent W.J. Bradley had an outstanding invoice in the amount of \$557.80 for its 2015
2 Consumer Loan Servicing Assessment Fee. To date, Respondents have not paid the 2015
3 Assessment.

4 **1.3 Failure to File Closure Documents.** On or about March 31, 2016, Respondents submitted a
5 request to surrender its Washington State consumer loan license. To date, Respondents have failed to
6 provide to the Department required closure documents that include reporting of its 2016 consumer
7 loan activity.

8 **1.4 Failure to Pay 2016 Annual Assessment.** When a licensee ceases business, an annual report
9 is due to the Department within 30 days of closure concerning the business operations conducted
10 during that calendar year. To date, Respondents have failed to provide the annual report relating to
11 its 2016 activity and failed to pay the associated annual assessment.

12 **1.5 Failure to Report Bankruptcy.** On or about April 28, 2016, Respondent W. J. Bradley filed
13 for Chapter 7 bankruptcy in the United States Bankruptcy Court District of Delaware. Respondents
14 were required to notify the Department within ten days of filing for a Chapter 7 bankruptcy. To date,
15 Respondents have failed to notify the Department of its bankruptcy filing.

16 **1.6 License Revocation.** On or about October 11, 2016, the California Department of Business
17 Oversight revoked Respondent W.J. Bradley's Residential Mortgage Lending Act license.

18 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the
19 Act by Respondents continues to date.

20 II. GROUNDS FOR ENTRY OF ORDER

21 **2.1 Requirement to File Closure Report.** Based on the Factual Allegations set forth in Section I
22 above, Respondents are in apparent violation of RCW 31.04.155, WAC 208-620-430, and WAC 208-
23 620-460 for failing to provide an annual report to the Director and pay the annual assessment within
24 thirty days of closure.

1 **2.2 Requirement to Pay Assessment.** Based on the Factual Allegations set forth in Section I
2 above, Respondents are in apparent violation of RCW 31.04.085, WAC 208-620-430, and WAC 208-
3 620-460 for failing to pay its annual assessments.

4 **2.3 Requirement Report Bankruptcy.** Based on the Factual Allegations set forth in Section I
5 above, Respondents are in apparent violation of WAC 208-620-480 for failing to notify the
6 Department that it filed for bankruptcy.

7 **2.4 Requirement of No Prior License Revocation or Suspension.** Based on the Factual
8 Allegations set forth in Section I above, Respondents fail to meet the requirements of RCW
9 31.04.055(1)(c) by having a license issued under this section, in this state or another state, revoked or
10 suspended within the last five years of the date of filing of the application.

11 **III. AUTHORITY TO IMPOSE SANCTIONS**

12 **3.1 Authority to Revoke License.** Pursuant to RCW 31.04.093(3)(a), (b), and (c), the Director
13 may revoke a license for failure to pay any fee due to the state of Washington, for violating any
14 provision of the Act, and if a fact or condition exists that, if it had existed at the time of the original
15 application for the license, clearly would have allowed the director to deny the application for the
16 original license.

17 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
18 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
19 employee, or any other person subject to the Act for suspension or revocation of a license to engage
20 in lending or residential mortgage loan servicing in this state or another state or for a violation of
21 RCW 31.04.155.

22 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
23 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
24 any other person subject to the Act for any violation of the Act.

1 **3.4 Authority to Collect Annual Assessment.** Pursuant to of RCW 31.04.085, WAC 208-620-
2 430, and WAC 208-620-460, every licensee is required to pay a fee based on the amount of business
3 conducted during the calendar year.

4 **3.5 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
5 610(7), the Director may collect an investigation fee. Licensees will be charged \$69.01 per hour for
6 the investigation.

7 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
8 may recover the state's costs and expenses for prosecuting violations of the Act.

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

10 Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
11 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
12 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and
13 RCW 31.04.205. Therefore, it is the Acting Director's intent to ORDER that:

14 **4.1** Respondent W.J. Bradley Mortgage Capital, LLC's, license to conduct the business of
15 a consumer loan company be revoked.

16 **4.2** Respondent W.J. Bradley Mortgage Capital, LLC, be prohibited from participation in
17 the conduct of the affairs of any consumer loan company subject to licensure by the
18 Director, in any manner, for a period of five years.

19 **4.3** Respondent William Jack Bradley be prohibited from participation in the conduct of
20 the affairs of any consumer loan company subject to licensure by the Director, in any
21 manner, for a period of five years.

22 **4.4** Respondents W.J. Bradley Mortgage Capital, LLC, and William Jack Bradley jointly
23 and severally pay a fine. As of the date of this Statement of Charges, the fine totals
24 \$5,000.

4.5 Respondents W.J. Bradley Mortgage Capital, LLC, and William Jack Bradley pay the
2015 annual assessment in the amount of \$557.80.

4.6 Respondents W.J. Bradley Mortgage Capital, LLC, and William Jack Bradley pay the
2016 annual assessment in an amount to be determined but at least \$557.80.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Revoke License, Prohibit
3 From Industry, Impose Fine, Collect Annual Assessment, Collect Investigation Fee, and Recover
4 Costs and Expenses (Statement of Charges) is entered pursuant to the provisions of RCW 31.04.093,
5 RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter
6 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a
7 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
8 HEARING accompanying this Statement of Charges.

9 Dated this 12th day of December, 2016

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

15 Presented by:

16 /s/ _____
17 DEBORAH TAEILLIOUS
18 Financial Legal Examiner Supervisor

19 Approved by:

20 /s/ _____
21 STEVEN C. SHERMAN
22 Enforcement Chief