

TERMS COMPLETED

ORDER SUMMARY – Case Number: C-15-1758

Name(s): Wingspan Portfolio Advisors LLC

Order Number: C-15-1758-16-CO01

Effective Date: 09/30/2016

License Number: NMLS: 61526
Or NMLS Identifier [U/L]

License Effect: Surrender

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Late Penalty	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
Judgment	N/A	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: _____

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

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

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WINGSPAN PORTFOLIO ADVISORS, LLC,
and
JASON SPOONER, Control Person, NMLS
#981902,

Respondents.

No.: C-15-1758-16-CO01

CONSENT ORDER FOR
WINGSPAN PORTFOLIO ADVISORS, LLC

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COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Charles E. Clark, Division Director, Division of Consumer Services, and Wingspan
Portfolio Advisors LLC (Respondent Wingspan), by and through Michelle E. Shriro, Attorney for
Bankruptcy Trustee Michelle Chow, Bankruptcy Trustee for Respondent Wingspan¹, and finding that
the issues raised in the above-captioned matter may be economically and efficiently settled, agree to
the entry of this Consent Order solely as to Respondent Wingspan. This Consent Order is entered
pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the
Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and
Respondent Wingspan have agreed upon a basis for resolution of the matters alleged in Statement of
Charges No. C-15-1758-16-SC01 (Statement of Charges), entered March 29, 2016, (copy attached
hereto). Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW 34.05.060 of the
Administrative Procedure Act, Respondent Wingspan hereby agrees to the Department's entry of this

¹ On July 13, 2015, Respondent Wingspan filed a voluntary petition under Chapter 7 of the Bankruptcy Code, styled: *In re Wingspan Portfolio Advisors, LLC*, Case No. 15-41255, presently pending in the U.S. Bankruptcy Court for the Eastern District of Texas.

1 Consent Order and further agrees that the issues raised in the above-captioned matter may be
2 economically and efficiently settled by entry of this Consent Order solely as to Respondent
3 Wingspan. The parties intend this Consent Order to fully resolve the Statement of Charges as to
4 Respondent Wingspan.

5 Based upon the foregoing:

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

8 B. **Waiver of Hearing.** It is AGREED that Respondent Wingspan has been informed of the
9 right to a hearing before an administrative law judge, and hereby waives its right to a hearing and all
10 administrative and judicial review of the issues raised in this matter, or of the resolution reached
11 herein. Accordingly, Respondent Wingspan, by the signature of its representative below, withdraws
12 its appeal to the Office of Administrative Hearings.

13 C. **Surrender of License.** It is AGREED that Respondent Wingspan's consumer loan
14 license is surrendered upon entry of this Consent Order, and Respondent Wingspan will no longer be
15 authorized to conduct consumer loan company business in Washington State.

16 D. **Authority to Execute Order.** It is AGREED that the undersigned has represented and
17 warranted that she has the full power and right to execute this Consent Order on behalf of Respondent
18 Wingspan.

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

1 F. **Voluntarily Entered.** It is AGREED that Respondent Wingspan has voluntarily entered
2 into this Consent Order, which is effective when signed by the Director's designee.

3 G. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent
4 Wingspan's representative has read this Consent Order in its entirety and fully understands and
5 agrees to all of the same.

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

10 **RESPONDENT:**

11 Wingspan Portfolio Advisors, LLC

12 By: 

13 Michelle E. Shriro
14 TX Bar #18310900
15 Attorney for Bankruptcy Trustee
Michelle Chow on behalf of
Respondent Wingspan

9/22/2016

Date

16 DO NOT WRITE BELOW THIS LINE

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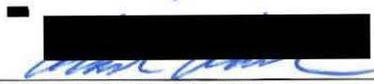
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THIS ORDER ENTERED THIS 30th DAY OF September, 2016.

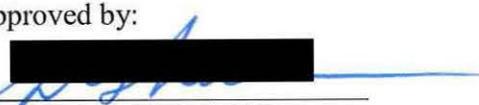


CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


DEBORAH TAELLIUS
Financial Legal Examiner Supervisor



Approved by:


STEVEN C. SHERMAN
Enforcement Chief

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**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:

WINGSPAN PORTFOLIO ADVISORS, LLC,
and
JASON SPOONER, Control Person, NMLS
#981902,

Respondents.

No. C-15-1758-16-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO REVOKE LICENSE, PROHIBIT
FROM INDUSTRY, IMPOSE FINE,
COLLECT LATE FEE, COLLECT
INVESTIGATION COSTS, MAINTAIN
BOOKS AND RECORDS, AND RECOVER
COSTS AND EXPENSES

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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 31.04.145, 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 Charles E. Clark, institutes this proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

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1.1 Respondents.

A. Wingspan Portfolio Advisors LLC (Respondent Wingspan) 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 February 27, 2012, and continues to be licensed to date.

B. Jason Spooner (Respondent Spooner) was a control person of Respondent Wingspan at all times relevant to this Statement of Charges.

1 **1.2 Failure to Maintain Bond.** On or about December 23, 2014, the Department received notice
2 from The Guarantee Company of North America that Respondents' surety bond would cancel
3 effective February 6, 2015. To date, Respondents have failed to provide the Department with the
4 required surety bond or an approved alternative.

5 **1.3 Failure to Timely Submit Consolidated Annual Report and Annual Assessment Report.**

6 Respondents were required to submit its 2014 Annual Assessment Report (AAR) and Consolidated
7 Annual Report (CAR) and pay any resulting annual assessment fee to the Department on or before
8 March 1, 2015. Respondents filed the 2014 AAR and CAR on March 30, 2015.

9 **1.4 Failure to Pay Late Fee.** Based on the facts in Paragraph 1.3, Respondents were assessed a
10 late penalty of \$2,700 for Respondents' late filing of the 2014 AAR and CAR. On or about July 8,
11 2015, the Department sent Respondents a Final Notice that the late penalty was due on June 22, 2015.
12 To date, the Department has not received payment for Respondents' late penalty.

13 **1.5 Failure to Report Bankruptcy.** On or about July 13, 2015, Respondent Wingspan filed for
14 Chapter 7 bankruptcy in the United States Bankruptcy Court Eastern District of Texas. Respondents
15 were required to notify the Department within ten days of filing for a Chapter 7 bankruptcy and
16 surrender the consumer loan license within sixty days of filing bankruptcy. To date, Respondents
17 have failed to notify the Department of the bankruptcy filing and failed to surrender the consumer
18 loan license.

19 **1.6 License Revocation.** On or about November 12, 2015, the Department received notice via
20 the Nationwide Multistate Licensing System & Registry (NMLS) that Respondent Wingspan's
21 Illinois Residential Mortgage License was revoked.

22 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the
23 Act by Respondents continues to date.

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

2 **2.1 Failure to Maintain a Bond.** Based on the Factual Allegations set forth in Section I above,
3 Respondent are in apparent violation of RCW 31.04.045(3) and WAC 208-620-320 for failing to file
4 and maintain a surety bond or approved alternative with the Director.

5 **2.2 Requirement to File Annual Reports.** Based on the Factual Allegations set forth in Section
6 I above, Respondents are in apparent violation of RCW 31.04.155 and WAC 208-620-430 for failing
7 to provide an annual report to the Director, under oath and in the form prescribed by the Director, on
8 or before the first day of March, concerning the business and operations of each licensed place of
9 business conducted during the preceding calendar year.

10 **2.3 Failure to Pay Late Penalty.** Based on the Factual Allegations set forth in Section I above,
11 Respondents are in apparent violation of WAC 208-620-430 for failing to pay to the Director a late
12 penalty.

13 **2.4 Requirement Report Bankruptcy.** Based on the Factual Allegations set forth in Section I
14 above, Respondents are in apparent violation of WAC 208-620-480 for failing to notify the
15 Department that it filed for bankruptcy.

16 **2.5 Requirement of No Prior License Revocation or Suspension.** Based on the Factual
17 Allegations set forth in Section I above, Respondent Wingspan fails to meet the requirements of
18 RCW 31.04.055(1)(c) by having a license issued under this section or any other section, in this state
19 or another state, revoked or suspended within the last five years of the date of filing of the
20 application.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Revoke License.** Pursuant to RCW 31.04.093(3)(a) and (b), the Director may
3 revoke a license for failure to pay any fee due to the state of Washington, failure to maintain the
4 required surety bond, or for violating any provision of the Act or the rules adopted thereunder.

5 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
6 issue an order prohibiting from participation in the affairs of any licensee, or both, any officer,
7 principal, employee, or mortgage loan originator, any other person subject to the Act for suspension
8 or revocation of a license to engage in lending or residential mortgage loan servicing, or perform a
9 settlement service related to lending or residential mortgage loan servicing, in this state or another
10 state.

11 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
12 up to one hundred dollars per day upon the licensee, its employee or loan originator, or other person
13 subject to this chapter for any violation of the Act or failure to comply with any order or subpoena
14 issued by the Director under the Act.

15 **3.4 Authority to Impose Late Penalties.** Pursuant to RCW 31.04.155 and WAC 208-620-
16 430(2), a licensee that fails to file the required annual reports by the due date is subject to a penalty of
17 fifty dollars for each item for each day of delay.

18 **3.5 Authority to Charge Investigation Costs.** Pursuant to RCW 31.04.145(3) and WAC 208-
19 620-590(1), every licensee investigated by the Department shall pay for the cost of the examination
20 and investigation calculated at the rate of \$69.01 per staff hour.

21 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
22 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

- 6 **4.1** Respondent Wingspan Portfolio Advisors, LLC's license to conduct the business of a
7 consumer loan company be revoked.
- 8 **4.2** Respondent Wingspan Portfolio Advisors, LLC be prohibited from participation in the
9 conduct of the affairs of any consumer loan company subject to licensure by the
10 Director, in any manner, for a period of five years.
- 11 **4.3** Respondent Wingspan Portfolio Advisors, LLC and Respondent Jason Spooner jointly
12 and severally pay to the Department the late penalty of \$2,700.
- 13 **4.4** Respondent Wingspan Portfolio Advisors, LLC and Respondent Jason Spooner jointly
14 and severally pay to the Department a fine of \$5,000.
- 15 **4.5** Respondent Wingspan Portfolio Advisors, LLC and Respondent Jason Spooner jointly
16 and severally pay to the Department investigation costs of \$345.05 calculated at
17 \$69.01 per staff hour devoted to this investigation.
- 18 **4.6** Respondent Wingspan Portfolio Advisors, LLC, and Respondent Jason Spooner
19 maintain records in compliance with the Act and provide the Department with the
20 location of the books, records and other information relating to Respondent Wingspan
21 Portfolio Advisors LLC's consumer loan business, and the name, address and
22 telephone number of the individual responsible for maintenance of such records in
23 compliance with the Act.
- 24 **4.7** Respondent Wingspan Portfolio Advisors, LLC and Respondent Jason Spooner jointly
and severally 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.

V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Revoke License,
Prohibit from Industry, Impose Fine, Collect Late Fee, Collect Investigation Costs, Maintain Books
and Records, and Recover Costs and Expenses (Statement of Charges) is entered pursuant to the

1 provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject
2 to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may
3 make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND
4 AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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6 Dated this 29th day of March, 2016.

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9 CHARLES E. CLARK
10 Director
11 Division of Consumer Services
12 Department of Financial Institutions

13 Presented by:

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15 DEBORAH TAEILLIOUS
16 Financial Legal Examiner Supervisor



17 Approved by:

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19 STEVEN C. SHERMAN
20 Enforcement Chief