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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

In re Mortgage Loan Originator
License Renewal Application of:

BLAZE! BORDEAUX, a.k.a. Darren Robert
Tolan,
NMLS ID No. 1954513,

Applicant.

Docket No. 2023-16-09

**ORDER DENYING MORTGAGE LOAN
ORIGINATOR LICENSE APPLICATION AND
NOTICE OF THE OPPORTUNITY TO
REQUEST A HEARING**

The Director of the State of Idaho, Department of Finance (Director), pursuant to the Idaho Residential Mortgage Practices Act, Idaho Code § 26-31-101 et seq. (the Act), and in particular §§ 26-31-306(1)(d) and/or (h) and 26-31-313(1)(a) and/or (b) of the Act, hereby issues the following Findings of Fact, Conclusions of Law, and Order Denying Mortgage Loan Originator License Application, and Notice of the Opportunity for a Hearing (Order).

FINDINGS OF FACT

1. The Applicant, Blaze! Bordeaux ¹, a resident of the state of Idaho, applied for an Idaho Mortgage Loan Originator (MLO) license by filing an individual Form MU4 through the online Nationwide Mortgage Licensing System and Registry (NMLSR), a.k.a. Nationwide Multistate Licensing System (NMLS) under NMLS number 1954513. This application was attested to and submitted by the Applicant on January 21, 2023.

2. The application Form MU4 seeks information about an individual applicant's qualifications to be licensed as a mortgage loan originator. A section of the application is entitled "Disclosure Questions" and consists of a series of questions that inquire into an applicant's history regarding financial, criminal, civil, judicial, and regulatory matters.

3. Pertinent to the Applicant's qualifications are questions under the Regulatory Action portion of the application, specifically section (K), including the questions, "Has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:

...
(2) found you to have been involved in a violation of a financial services-related business regulation(s) or statute(s)?

...
(4) entered an order against you in connection with a financial services-related activity?

...
(6) denied or suspended your registration or license or application for licensure, disciplined you, or otherwise by order, prevented you from

¹ An Order for Name Change was issued On May 14, 2009, by the Ada County District Court for the Fourth Judicial District of the State of Idaho (Case No. CVNC0904923), changing the Applicant's name from Darren Tolan to Blaze! Bordeaux.

associating with a financial services-related business or restricted your activities?”

...

(9) entered an order concerning you in connection with any license or registration?”

4. The Applicant responded with “no” responses to questions (K)(2), (4), (6) and (9).

5. Consistent with normal practice, a Department examiner conducted an assessment of the Applicant using various sources of public information to determine if the Applicant demonstrates sufficient financial responsibility, character, and general fitness in order to be licensed as a mortgage loan originator.²

6. The examiner obtained a public record background information report through LexisNexis, which showed that the Applicant had regulatory orders entered against him by the State of Washington in 2007 and 2011 and by the State of Ohio in 2008.

7. The examiner then obtained copies of these regulatory orders through the agencies’ websites. According to the State of Washington, Department of Financial Institutions, Consumer Services Division (the WA DFI) website, <https://dfi.wa.gov/enforcement-actions>, the following enforcement actions were issued against the Applicant (under his former name “Darren Tolan”):

- a. Statement of Charges and Notice of Intention to Enter and Order to Deny License Application, No. C-07-141-07-SC01 was issued against the Applicant on June 11, 2007. The WA DFI stated that the grounds for denying the

² Conducted pursuant to Part 3 of the Act titled “The Idaho Secure and Fair Enforcement for Mortgage Licensing Act” (Idaho S.A.F.E. Mortgage Licensing Act), Idaho Code § 26-31-306.

Applicant's Washington loan originator license application (submitted December 29, 2006) included failing to meet Washington licensing requirements because the Applicant had been convicted of a felony within the previous seven years.

- b. Final Order, No. C-07-141-07-FO01, was entered by default by the WA DFI on August 6, 2007. This Final Order incorporated the Statement of Charges referenced in the preceding section and effectively denied the Applicant's Washington mortgage loan originator license application.
- c. Statement of Charges and Notice of Intention to Enter an Order to Prohibit from Industry, Impose Fine, and Collect Investigation Fee (2011 Notice of Intent), No. C-08-351-10-SC01 was issued against the Applicant on April 26, 2010. US Funding Group – Washington, Inc., Robert Dalton, Loan Originator, and Darren Tolan, Loan Originator, were the named Respondents. The WA DFI alleged that the Applicant “employed a scheme by which he would alter documents, usually in the form of bank statements, in order to qualify borrowers for residential loans” and “forged the signatures of borrowers on certain loan documents” while working as a mortgage loan originator for US Funding Group.
- d. Final Order, No. C-08-351-11-FO01, was entered by default by the WA DFI on February 11, 2011. This Final Order adopted the Statement of Charges referenced in the preceding section and effectively prohibited the Applicant

from “participation in the conduct of the affairs of any mortgage broker subject to licensure” by the WA DFI Director for a period of five (5) years. The Applicant was also jointly and severally ordered to pay a fine of \$50,000 and \$2,866.80 for investigative fees.

8. According to the State of Ohio, Department of Commerce, Division of Financial Institutions, Consumer Finance (OH DFI), website, <https://com.ohio.gov/divisions-and-programs/financial-institutions/enforcement> , the following enforcement actions were issued against the Applicant (under his former name “Darren Tolan”)

- a. Notice of Intent to Deny Loan Officer License Application and Notice of Opportunity for a Hearing, Case No. M2007-236, was issued against the Applicant on June 7, 2007. The OH DFI stated that the grounds for denying the Applicant’s Ohio loan officer license application (submitted March 22, 2007) included failing to meet Ohio licensing requirements because the Applicant had been convicted of a third-degree theft offense in or around 1989 in Alabama. The Notice of Intent also determined that the Applicant failed to meet Ohio’s character and general fitness requirements for a loan officer due to his third-degree felony Injury to a Child charge in or around 2005 in Texas.
- b. Division Order, Case No. M2007-236, was issued against the Applicant on January 22, 2008. The Division Order, issued after an administrative hearing was held, where the Applicant did not appear, effectively adopting the

hearing officer's recommendation to deny the Applicant's Ohio loan officer license application.

9. The Applicant's failure to acknowledge and provide details of the regulatory actions against him described above constitutes a material omission.

10. The Applicant's failure to disclose the above-referenced enforcement actions entered by the WA DFI and the OH DFI on his Form MU4 to reflect regulatory agency actions had been taken against him, constitutes material misrepresentations and relevant omissions in the Applicant's responses to the application disclosure questions (K), including sections (2), (4), (6), and (9) therein.

11. On January 30, 2023, the Department provided the Applicant notice of an intent to deny the application within approximately 60 days based on the information set forth above unless the Applicant was able to provide documentation to satisfy the Department that the noted item(s) had been resolved and that disclosure was not required. The notice alternatively provided the Applicant the opportunity to withdraw the application.

12. The Applicant responded by email on January 31, 2023, indicating that he was confused by the items listed in the notice of intent. A Department examiner communicated via email with the Applicant over the next two and a half weeks answering the Applicant's questions and providing explanations. The examiner also reiterated the deadline date of April 1st and the need to withdraw the pending application to avoid it being denied.

13. The Applicant failed to provide the requisite documentation or withdraw the application by the stated deadline.

FINDINGS AND CONCLUSIONS OF LAW

14. The allegations set forth in paragraphs 1 through 13 above are fully incorporated herein by this reference.

15. Idaho Code § 26-31-304 provides that an individual shall not engage in the business of a mortgage loan originator without first obtaining, and maintaining annually, a license.

16. Idaho Code § 26-31-305(1) provides that an applicant for a mortgage loan originator license must apply through the NMLSR in a form required by the Director of the Idaho Department of Finance (Director).

17. Idaho Code § 26-31-306(1)(d) provides that the Director shall not issue a mortgage loan originator license under the Act unless the Director makes a finding that an applicant has demonstrated financial responsibility, character, and general fitness sufficient to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.

18. Pursuant to Idaho Code § 26-31-306(1)(h), before an application for license can be approved, an applicant must provide all information on the application as required per Idaho Code § 26-31-305. Idaho Code § 26-31-305(10) further provides that an applicant shall make complete disclosure of all information as set forth in the application.

19. Pursuant to Idaho Code § 26-31-313(1)(a) and (b), the Director may deny a license if an applicant violates the Act and/or withholds information or makes a material misstatement in an application for a license.

20. The Applicant made a material misstatement of fact in his application, which is grounds to deny his application for licensure. He answered a question inaccurately and failed to disclose the state regulatory agency enforcement actions that were taken against him. Omitting correct answers to disclosure questions in (K) and failure to disclose the enforcement actions prohibits the Director from issuing a license to the Applicant pursuant to Idaho Code § 26-31-306(1)(d) and/or (h) and § 26-31-313(1)(a) and/or (b).

21. The Director finds it appropriate to deny the application because the Applicant's failure to provide the information on the Form MU4 regarding the enforcement actions demonstrates that the Applicant lacks the appropriate character and fitness sufficient to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act. Because the Director cannot make the requisite findings under Idaho Code § 26-31-306(1)(d) and/or (h), it is appropriate to deny the Applicant's request for an Idaho mortgage loan originator license, pursuant to Idaho Code § 26-31-313(1).

ORDER

NOW, THEREFORE, BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, AND PURSUANT TO IDAHO CODE §§ 26-31-313(1)(a) and (b), IT IS HEREBY ORDERED THAT THE APPLICATION FOR A MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION ATTESTED TO AND SUBMITTED BY BLAZE! BORDEAUX, NMLS #1954513, ON JANUARY 21, 2023, IS DENIED.

NOTICE OF THE OPPORTUNITY TO REQUEST A HEARING

22. The Applicant is HEREBY NOTIFIED that the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION is a final order of the Director denying the license application, subject to the Applicant's right to timely file a request for a hearing on the question of his qualifications for a mortgage loan originator license under the Act, pursuant to Idaho Code § 26-31-305(6)(a). Such request for a hearing must be in writing and submitted to the Department within fifteen (15) days after the service of this Order. A copy of the request for hearing shall be served on the following:

Attn: Lisa Baker
Assistant to the Director
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of the request for contested case and hearing shall also be served on the Department's counsel in this matter:

Erick M. Shaner
Deputy Attorney General
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

Alternatively, the Applicant may email the request for hearing to: CFLegal@finance.idaho.gov.

23. If the Applicant timely requests a hearing, the Director of the Department, or a Hearing Officer acting on the Director's behalf, will notify the Applicant of further steps including the date, time, and place of the hearing.

24. Any hearing and subsequent proceedings in this matter will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201 *et seq.* and the Idaho Rules of Administrative Procedure (IDAPA 04.11.01).

25. Pursuant to Idaho Code § 26-31-305(6), if a hearing is held, the Applicant shall reimburse, pro rata, the Director for her reasonable and necessary expenses incurred as a result of the hearing.

IT IS SO ORDERED.

DATED this 25th day of April 2023.



STATE OF IDAHO
DEPARTMENT OF FINANCE

A handwritten signature in cursive script, appearing to read "Patricia R. Perkins", written over a horizontal line.

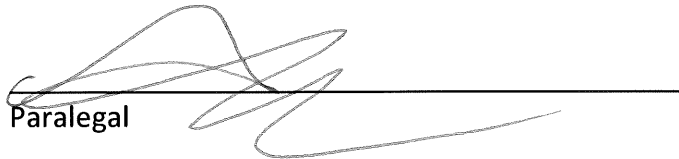
PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 25th day of April 2023, I caused a true and correct fully executed copy of the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION AND NOTICE OF THE OPPORTUNITY FOR A HEARING to be served on the following by the designated means:

Blaze! Bordeaux
3759 Pioneer Park Lane
Homedale, ID 83628

- U.S. mail, postage prepaid
- certified mail
- facsimile _____
- email: allmymemberships@gmail.com


Paralegal