
IN THE MATTER OF:

AMERICAY MORTGAGE CORPORATION
NMLS # 1155
(“Americay”)

CHRISTOPHER JON GILNACK
NMLS # 40337
(“Gilnack”)

(collectively, “Respondents”)

NOTICE OF AUTOMATIC SUSPENSION

NOTICE OF INTENT TO REVOKE MORTGAGE BROKER LICENSE

NOTICE OF INTENT TO ISSUE ORDER TO CEASE AND DESIST

NOTICE OF INTENT TO IMPOSE CIVIL PENALTY

AND

NOTICE OF RIGHT TO HEARING

I. LEGAL AUTHORITY AND JURISDICTION

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Part I of Chapter 668, Sections 36a-485 to 36a-534b, inclusive, of the Connecticut General Statutes, “Mortgage Lenders, Correspondent Lenders, Brokers and Loan Originators”.

2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking (“Department”), has examined and investigated the activities of Respondents to determine if they have violated, are violating or are about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner (“Investigation”).

3. As a result of the Investigation, the Commissioner has reason to believe that Americay has violated Sections 36a-65(c)(6), 36a-488(a)(2), 36a-489(a)(1)(C), 36a-490(c)(3), 36a-490(c)(9), 36a-493(a), 36a-497(a)(1), 36a-498d(a)(2), 36a-498d(b)(3), 36a-534b(c) and 36a-678(a) of the Connecticut General Statutes, Sections 36a-498e(a)(7) and 36a-498e(a)(8) of the Connecticut General

Statutes in effect at such time, Section 36a-492 of the 2024 Supplement to the General Statutes, 12 C.F.R. Section 1002.9(a)(1) of Regulation B, 12 C.F.R. Section 1026.19(e)(1) of Regulation Z and paragraphs (c) and (d) of 12 C.F.R. Section 1026.24 of Regulation Z.

4. As a result of the Investigation, the Commissioner has reason to believe that Gilnack has violated Sections 36a-490(c)(3) and 36a-498d(a)(3) of the Connecticut General Statutes and Section 36a-498e(b) of the Connecticut General Statutes in effect at such time.

5. Section 36a-492 of the 2024 Supplement to the General Statutes requires that a mortgage broker licensee maintain a bond that runs concurrently with the period of the license for the main office. The Commissioner has reason to believe that as of August 16, 2024, Americay failed to have a bond in place as required by Section 36a-492 of the 2024 Supplement to the General Statutes.

6. As a result, the Commissioner finds that sufficient grounds exist for the automatic suspension of Americay's license to act as a mortgage broker in Connecticut effective August 16, 2024.

7. As a result of the Investigation, the Commissioner finds that sufficient grounds exist to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1) and 36a-494(a)(1)(C) of the Connecticut General Statutes, Section 36a-492 of the 2024 Supplement to the General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

8. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to cease and desist against each Respondent pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes.

9. As a result of the Examination and Investigation, the violations alleged by the Commissioner form the basis to impose a civil penalty upon each Respondent pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes.

II. MATTERS ASSERTED

10. From at least November 28, 2000 to April 4, 2024, Americay was a Connecticut corporation with a main office at 154 Talcottville Road, Vernon, Connecticut (“Main Office”). Americay filed a Certificate of Dissolution with the Secretary of the State of Connecticut on April 4, 2024.

11. Americay has been licensed by the Commissioner through the Nationwide Multistate Licensing System and Registry (“NMLS”) to act as a mortgage broker in Connecticut from the Main Office since February 3, 2015. On April 15, 2024, Americay filed a request to surrender its license to act as a mortgage broker in Connecticut, which request is still pending.

12. Americay was previously licensed to act as a mortgage broker in Connecticut from December 29, 2000 through December 31, 2013, and again from January 24, 2014 through December 31, 2014.

13. At all times relevant to the allegations herein, Gilnack was the President, sole owner, sole mortgage loan originator and Qualified Individual of Americay. Gilnack removed himself as the Qualified Individual of Americay on April 15, 2024.

14. Since February 3, 2015, Gilnack has been licensed as a mortgage loan originator in Connecticut. Gilnack was previously licensed as a mortgage loan originator in Connecticut from March 5, 2010 through December 31, 2013, and again from January 24, 2014 through December 31, 2014.

Prior Enforcement Actions

15. On January 26, 2011, the Commissioner entered into a Settlement Agreement with Americay settling an allegation that it employed or retained an individual to act as an originator or a mortgage loan originator without registering or licensing the individual, in violation of Sections 36a-486(b) and 36a-511(b) of the then applicable Connecticut General Statutes.

16. On August 16, 2012, the Commissioner issued a Consent Order against Americay concerning an allegation that it had failed to timely file mortgage call reports (“MCRs”) on NMLS, in violation of Section 36a-534b(c)(3) of the then applicable Connecticut General Statutes (“2012 Consent Order”). The

2012 Consent Order, among other sanctions, required that Americay timely and accurately file all required reports on NMLS.

17. Again on March 10, 2016 and September 9, 2016, the Commissioner issued Consent Orders against Americay concerning allegations that it failed to timely file MCRs on NMLS, in violation of Section 36a-534b(c)(3) of the then applicable Connecticut General Statutes (collectively, “2016 Consent Orders”), and requiring that Americay file timely, complete and accurate MCRs.

18. At all times relevant hereto, Americay and Gilnack failed to disclose the 2016 Consent Orders on their respective applications on NMLS. Americay only disclosed the Opportunity to Show Compliance with Legal Requirements Letter issued by the Division on May 23, 2012 alleging its failure to file quarterly call reports on NMLS, and Gilnack only disclosed the 2012 Consent Order on NMLS.

Complaint

19. On June 15, 2023, the Department received a complaint from a Connecticut resident against Respondents concerning the collection of credit rescore fees associated with the resident’s residential mortgage loan application that the Connecticut resident never had agreed to pay. On or about May 25, 2023, Americay issued an invoice to the Connecticut resident in the amount of \$480.35 for “Repid Rescore & Credit Pulls”, of which \$186.50 corresponded to fees for Score, Score Plus and Credit Report Expert Simulator. The Connecticut resident stated that Gilnack constantly contacted the resident demanding payment and refused to release the Federal Housing Administration number for the resident’s mortgage loan until payment was received.

20. The Investigation revealed that Americay had issued invoices for similar credit services to at least 19 other residential mortgage loan applicants in Connecticut, but did not execute any written contracts with applicants concerning such fees and services.

21. Consumers are entitled to correct credit report information free of charge pursuant to 15 USCS Section 1681i(a)(1)(A), which states, in pertinent part,

[I]f the completeness or accuracy of any item of information contained in a consumer’s file at a consumer reporting agency is disputed by the

consumer and the consumer notifies the agency directly, or indirectly through a reseller, of such dispute, the agency shall, free of charge, conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate and record the current status of the disputed information, or delete the item from the file

2024 Examination

22. On January 30, 2024, the Division commenced an examination of Americay concerning its compliance with federal and state laws governing its mortgage broker practices (“Examination”). Section 36a-534b(c) of the Connecticut General Statutes requires that mortgage brokers timely submit to NMLS accurate reports of condition by filing MCRs. The MCR collects standardized mortgage company data at the state level and financial condition information on a quarterly basis. The Examination revealed that Americay filed inaccurate MCRs from at least December 31, 2021 to September 30, 2023. In particular, the total count and dollar amount of applications received or loans originated were not accurately reflected on the MCR filed for each quarter during such period.

23. The Division also determined that Americay failed to meet the minimum tangible net worth requirement of mortgage broker licensees of \$50,000 as of the date of the Examination and for the years ending December 31, 2022 and December 31, 2023. At no time did Americay notify the Commissioner of its inability to meet the minimum tangible net worth requirements for such periods.

24. During the Examination, the Division also reviewed advertisements by Gilnack and Americay. At all times relevant hereto Gilnack used a business card with his picture, position and contact information that failed to state his NMLS unique identifier and Americay’s NMLS unique identifier. Americay also advertised a specific interest rate for mortgage loans via signage on its building, however, such advertisement did not disclose the rate as an annual percentage rate (“APR”) and additional terms applicable to obtain such rate. Americay also did not disclose in the advertisement that Americay was only a mortgage broker and not a mortgage lender, as required pursuant to Section 36a-497(a)(1) of the Connecticut General Statutes.

25. A review of Americay's loan files revealed that federally required consumer disclosures were often not issued and maintained, or not issued timely. For example, from May 31, 2022 to June 22, 2023 a review of loan files for which applications had been received but did not close, including, but not limited to, one application that had been denied, failed to include any documentation evidencing notice to the consumer of adverse action as required pursuant to Regulation B. 12 C.F.R. Section 1002.9(a)(1) of Regulation B requires that consumers be notified 30 days after the refusal to grant credit in substantially the amount or on substantially the terms requested in an application.

26. In addition, from at least October 21, 2021 to August 23, 2023, Americay failed to provide the required loan estimate disclosures within three business days from receipt of mortgage loan applications, as required pursuant to 12 C.F.R. Section 1026.19(e)(1) of Regulation Z, in connection with at least five mortgage loan applications in Connecticut. Rather, the loan estimate disclosures were provided to consumers between 12 and 444 days from receipt of application.

27. On May 14, 2024, the Division issued an invoice billing the costs of the Examination, which was required to be paid immediately. The Division sent Americay a reminder concerning the outstanding invoice on July 3, 2024. To date, Americay has not paid such invoice.

28. On June 18, 2024, pursuant to Section 4-182(c) of the Connecticut General Statutes, the Division provided Americay notice of the alleged violations and provided Americay an opportunity to show compliance with all legal requirements for retention of its mortgage broker license in Connecticut. The Division had requested that Americay provide a response by July 2, 2024. To date, no response has been received.

Bond Cancellation

29. On July 16, 2024, the Commissioner received notice from Liberty Mutual Insurance Company that surety bond number 017-136-159, issued on behalf of Americay with respect to its mortgage broker license for its Main Office in Connecticut, would be cancelled effective August 16, 2024.

30. Also on July 16, 2024, pursuant to Sections 4-182(c) of the Connecticut General Statutes and Section 36a-492(c) of the 2024 Supplement to the General Statutes, the Division informed Americay, through a letter, of the notice of cancellation and provided Americay an opportunity to show compliance with all lawful requirements for the retention of its mortgage broker license in Connecticut in light of the bond cancellation.

31. Americay failed to file with the Commissioner a letter of reinstatement of the bond, a new bond or satisfy the conditions for the Commissioner to accept its request to surrender its mortgage broker license in Connecticut. As a result, the Commissioner automatically suspended Americay's license to act as a mortgage broker in Connecticut from the Main Office effective August 16, 2024.

III. STATUTORY BASIS FOR REVOCATION OF MORTGAGE BROKER LICENSE, ORDER TO CEASE AND DESIST AND ORDER TO IMPOSE CIVIL PENALTY

32. Americay failed to file the 2016 Consent Orders on NMLS, as more fully described in paragraphs 17 and 18, in violation of Section 36a-490(c)(3) of the Connecticut General Statutes. Such violations form the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

33. Americay failed to file accurate MCRs on NMLS, as more fully described in paragraph 22, in violation of Section 36a-534b(c) of the Connecticut General Statutes and the 2016 Consent Orders. Such violations constitute sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, form the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections

36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

34. Americay failed to maintain minimum tangible net worth of \$50,000 required of mortgage broker licensees, as more fully described in paragraph 23, in violation of Section 36a-488(a)(2) of the Connecticut General Statutes. Such violation constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

35. Americay failed to file with NMLS or otherwise notify the Commissioner of the decrease in its tangible net worth from the minimum amount required pursuant to Section 36a-488(a)(1)(A) of the Connecticut General Statutes not later than the requisite fifteen (15) days of its occurrence, as more fully described in paragraph 23, in violation of Section 36a-490(c)(9) of the Connecticut General Statutes. Such violation constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the

Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

36. Americay failed to provide adverse action notices for at least one mortgage loan, as more fully described in paragraph 25, in violation of 12 C.F.R. Section 1002.9(a)(1) of Regulation B (Equal Credit Opportunity Act), and Section 36a-498e(a)(7) of the Connecticut General Statutes in effect at such time and failed to maintain records of adverse action notices for such mortgage loan files, in violation of Section 36a-493(a) of the Connecticut General Statutes. Such violations constitute sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, form the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

37. Americay failed to provide the required loan estimate disclosures in a timely manner in connection with at least five mortgage loans, as more fully described in paragraph 26, in violation of 12 C.F.R. Section 1026.19(e)(1) of Regulation Z (Truth in Lending Act), Section 36a-678(a) of the Connecticut General Statutes and Section 36a-498e(a)(7) of the Connecticut General Statutes in effect at such time. Such violations constitute sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, form the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section

36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

38. Americay advertised mortgage loans, including, but not limited to, via signage on its building, without the language required by mortgage broker licensees, as more fully described in paragraph 24, in violation of Section 36a-497(a)(1) of the Connecticut General Statutes. Such violation constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

39. Americay failed to include its company NMLS unique identifier on business cards, as more fully described in paragraph 24, in violation of Section 36a-498d(a)(2) of the Connecticut General Statutes. Such violation constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

40. Americay failed to disclose the APR and additional terms when advertising rates on its building, as more fully described in paragraph 24, in violation of paragraphs (c) and (d) of 12 C.F.R.

Section 1026.24 of Regulation Z (Truth in Lending Act), and Sections 36a-678(a) and 36a-498d(b)(3) of the Connecticut General Statutes. Such violations constitute sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, form the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

41. Americay failed to pay the costs of its Examination, as more fully described in paragraph 27, in violation of Section 36a-65(c)(6) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

42. Americay failed to maintain a surety bond that runs concurrently with the period of its mortgage broker license, as more fully described in paragraphs 29 through 31, inclusive, in violation of Section 36a-492 of the 2024 Supplement to the General Statutes. Such violation constitutes sufficient grounds for the Commissioner to deny an application for such license under Section 36a-489(a) of the Connecticut General Statutes and, in turn, constitutes sufficient grounds for the Commissioner to revoke Respondent's license to act as a mortgage broker in Connecticut from its main office pursuant to Sections 36a-494(a)(1) and 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of

Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes

43. Americay failed to comply with sections 36a-485 to 36a-498e, inclusive, 36a-498h, 36a-534a and 36a-534b and failed to comply with provisions of Regulation Z and Regulation B, as more fully described in paragraphs 10 through 31, inclusive, in violation of Section 36a-498e(a)(8) of the Connecticut General Statutes in effect at such time. Such violation constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Americay in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

44. The conduct of Americay, as more fully described in paragraphs 10 through 31, inclusive, fails to demonstrate that its financial responsibility, character and general fitness are such as to command the confidence of the community and to warrant a determination that Americay will operate honestly, fairly and efficiently within the purposes of Sections 36a-485 to 36a-498e, inclusive, 36a-498h, 36a-534a and 36a-534b, as required by Section 36a-489(a)(1)(C) of the Connecticut General Statutes. Such failure constitutes sufficient grounds for the Commissioner to deny an application for a mortgage broker license and, in turn, constitutes sufficient grounds for the Commissioner to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Section 36a-494(a)(1) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

45. Gilnack failed to file the 2016 Consent Orders on NMLS, as more fully described in paragraphs 17 and 18, in violation of Section 36a-490(c)(3) of the Connecticut General Statutes. Such violations

form the basis to issue an order to cease and desist against Gilnack pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Gilnack in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

46. Gilnack failed to include his NMLS unique identifier on business cards, as more fully described in paragraph 24, in violation of Section 36a-498d(a)(3) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Gilnack pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Gilnack in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

47. Gilnack failed to establish, enforce and maintain policies and procedures reasonably designed to achieve compliance with subsection (a) of Section 36a-498e of the Connecticut General Statutes in effect at such time, as more fully described in paragraphs 10 to 31, inclusive, in violation of Section 36a-498e(b) of the Connecticut General Statutes in effect at such time. Such violation forms the basis to issue an order to cease and desist against Gilnack pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Gilnack in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

IV. NOTICE OF AUTOMATIC SUSPENSION, NOTICE OF INTENT TO REVOKE MORTGAGE BROKER LICENSE, NOTICE OF INTENT TO ISSUE ORDER TO CEASE AND DESIST, NOTICE OF INTENT TO IMPOSE CIVIL PENALTY AND NOTICE OF RIGHT TO HEARING

WHEREAS, the Commissioner has reason to believe that Americay has engaged in acts or conduct which constitutes sufficient grounds for the Commissioner to issue an order to revoke Americay's license

to act as a mortgage broker in Connecticut pursuant to Sections 36a-494(a)(1) and 36a-494(a)(1)(C) of the Connecticut General Statutes, and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Americay pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes;

AND WHEREAS, the Commissioner has reason to believe that Gilnack has engaged in acts or conduct which forms the basis to issue an order to cease and desist against Gilnack pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes;

NOW THEREFORE, pursuant to the authority granted in Section 36a-492(c) of the 2024 Supplement to the General Statutes, the Commissioner gives **NOTICE** that on August 16, 2024, the license of Americay Mortgage Corporation to act as a mortgage broker in Connecticut from 154 Talcottville Road, Vernon, Connecticut, was **AUTOMATICALLY SUSPENDED** pending proceedings for revocation;

FURTHER, NOTICE is hereby given to Americay that the Commissioner intends to **REVOKE** Americay's license to act as mortgage broker in Connecticut from the Main Office, and to issue an order requiring Respondent to **CEASE AND DESIST** from violating Sections 36a-65(c)(6), 36a-488(a)(2), 36a-489(a)(1)(C), 36a-490(c)(3), 36a-490(c)(9), 36a-493(a), 36a-497(a)(1), 36a-498d(a)(2), 36a-498d(b)(3), 36a-534b(c) and 36a-678(a) of the Connecticut General Statutes, Sections 36a-492, 36a-498e(a)(7) and 36a-498e(a)(8) of the 2024 Supplement to the General Statutes, and impose a **CIVIL PENALTY** upon Americay as set forth herein, subject to Americay's right to a hearing on the allegations set forth above.

FURTHER, NOTICE is hereby given to Gilnack that the Commissioner intends to issue an order requiring Gilnack to **CEASE AND DESIST** from violating Sections 36a-490(c)(3) and 36a-498d(a)(3) of the Connecticut General Statutes and Section 36a-498e(b) of the 2024 Supplement to the General

Statutes, and impose a **CIVIL PENALTY** upon Gilnack as set forth herein, subject to Gilnack's right to a hearing on the allegations set forth above.

A hearing will be granted to each Respondent if a written request for a hearing is received by the Department of Banking, Consumer Credit Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to DOB.hearingsupport@ct.gov within fourteen (14) days following Respondent's receipt of this Notice of Automatic Suspension, Notice of Intent to Revoke Mortgage Broker License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing as set forth in subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes and Sections 36a-50(a) and 36a-52(a) of the Connecticut General Statutes. This Notice of Automatic Suspension, Notice of Intent to Revoke Mortgage Broker License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing shall be deemed received on the earlier of the date of actual receipt, or seven (7) days after mailing or sending. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above-referenced addresses. If Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se".

If a hearing is requested, it will be held in person at the Department's offices. Once a written request for hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and Section 36a-1-21 of the Regulations of Connecticut State Agencies. At the discretion of the Hearing Officer, for good cause shown, the Hearing Officer may approve requests for remote participation in the hearing by a Respondent, witness, or attorney. If such requests are approved by the Hearing Officer, such remote participation will be conducted via videoconference. If a hearing is requested, the hearing will be held on January 8, 2025 at 10 a.m.

If a hearing is requested, it will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, unless Respondent fails to appear at the requested hearing. At such hearing, Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner. Remote participation in a hearing will be held in accordance with Section 1-225a of the Connecticut General Statutes, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>.

If Americay does not request a hearing within the time prescribed or fails to appear at any such hearing, the allegations against Americay herein will be deemed admitted. Accordingly, the Commissioner will issue an order revoking Americay's license to act as a mortgage broker in Connecticut from 154 Talcottville Road, Vernon, Connecticut, and issue an order that Americay cease and desist from violating Sections 36a-65(c)(6), 36a-488(a)(2), 36a-489(a)(1)(C), 36a-490(c)(3), 36a-490(c)(9), 36a-493(a), 36a-497(a)(1), 36a-498d(a)(2), 36a-498d(b)(3), 36a-534b(c) and 36a-678(a) of the Connecticut General Statutes, Sections 36a-492, 36a-498e(a)(7) and 36a-498e(a)(8) of the 2024 Supplement to the General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Americay.

If Gilnack does not request a hearing within the time prescribed or fails to appear at any such hearing, the allegations against Gilnack herein will be deemed admitted. Accordingly, the Commissioner will issue an order that Gilnack cease and desist from violating Sections 36a-490(c)(3) and 36a-498d(a)(3) of the Connecticut General Statutes and Section 36a-498e(b) of the 2024 Supplement to the General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Gilnack.

So ordered at Hartford, Connecticut,
this 25th day of October 2024.

/s/

Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 25th day of October 2024, the foregoing Notice of Automatic Suspension, Notice of Intent to Revoke Mortgage Broker License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing was sent via electronic mail to Americay Mortgage Corporation, Attention: Christopher Gilnack, President, who is designated as the primary contact in the contact employee fields on the Nationwide Multistate Licensing System and Registry, at the electronic address provided therein and via electronic mail to Christopher Gilnack at the electronic address provided on the Nationwide Multistate Licensing System and Registry.

/s/

Swarupa Madhavan
Paralegal