

* * * * *
 *
IN THE MATTER OF: *
 *
AMERICAY MORTGAGE *
CORPORATION *
NMLS # 1155 *
(“Americay”) *
 *
CHRISTOPHER JON GILNACK *
NMLS # 40337 *
(“Gilnack”) *
 *
(collectively, “Respondents”) *
 *
 * * * * *

CONSENT ORDER

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with 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”;

WHEREAS, Americay was a Connecticut corporation with a main office at 154 Talcottville Road, Vernon, Connecticut. Americay filed a Certificate of Dissolution with the Secretary of the State of Connecticut on April 4, 2024;

WHEREAS, Americay was licensed to act as a mortgage broker in Connecticut, until its license expired on December 31, 2024;

WHEREAS, 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, but is still licensed as a mortgage loan originator in Connecticut. On November 27, 2024, Gilnack applied for renewal of his mortgage loan originator license, which application is currently pending;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Banking”), conducted an examination and investigation (collectively, “Investigation”) into the activities of Respondents pursuant to Section 36a-17 of the Connecticut General Statutes to determine if they had violated, were violating or were about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner;

WHEREAS, as a result of the Investigation, on October 25, 2024, the Commissioner issued a 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 (collectively, “Notice”) against Respondents, which Notice is incorporated by reference herein;

WHEREAS, the Commissioner alleged in the Notice that Americay failed to: (1) file the prior Consent Orders on the Nationwide Multistate Licensing System and Registry (“NMLS”), in violation of Section 36a-490(c)(3) of the Connecticut General Statutes; (2) file accurate mortgage call reports (“MCRs”) on NMLS, in violation of Section 36a-534b(c) of the Connecticut General Statutes and prior Consent Orders; (3) maintain minimum tangible net worth of \$50,000 required of mortgage broker licensees, in violation of Section 36a-488(a)(2) of the Connecticut General Statutes; (4) 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, in violation of Section 36a-490(c)(9) of the Connecticut General Statutes; (5) provide adverse action notices for at least one mortgage loan, 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; (6) provide the required loan estimate disclosures in a timely manner in connection with at least five mortgage loans, 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; (7) include the language

required by mortgage broker licensees when advertising mortgage loans, including, but not limited to, via signage on its building, in violation of Section 36a-497(a)(1) of the Connecticut General Statutes; (8) include its company NMLS unique identifier on business cards, in violation of Section 36a-498d(a)(2) of the Connecticut General Statutes; (9) disclose the APR and additional terms when advertising rates on its building, 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; (10) pay the costs of its examination, in violation of Section 36a-65(c)(6) of the Connecticut General Statutes; (11) maintain a surety bond that runs concurrently with the period of its mortgage broker license, in violation of Section 36a-492 of the 2024 Supplement to the General Statutes; and (12) comply with sections 36a-485 to 36a-498e, inclusive, 36a-498h, 36a-534a and 36a-534b and provisions of Regulation Z (Truth in Lending Act) and Regulation B (Equal Credit Opportunity Act), in violation of Section 36a-498e(a)(8) of the Connecticut General Statutes, in effect at such time;

WHEREAS, the Commissioner asserted that the allegations made in the Notice constituted sufficient grounds to revoke Americay's license to act as a mortgage broker in Connecticut pursuant to Section 36a-494(a)(1)(C) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, formed 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 of up to One Hundred Thousand Dollars (\$100,000) per violation upon Americay pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner also alleged in the Notice that the conduct of Americay failed 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, and this constituted sufficient grounds for the Commissioner to deny an application for a mortgage broker license and, in turn, constituted 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;

WHEREAS, concerning the activities of Gilnack, the Commissioner alleged in the Notice that Gilnack failed to: (1) file prior Consent Orders on NMLS, in violation of Section 36a-490(c)(3) of the Connecticut General Statutes; (2) include his NMLS unique identifier on business cards, in violation of Section 36a-498d(a)(3) of the Connecticut General Statutes; and (3) 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, in violation of Section 36a-498e(b) of the Connecticut General Statutes, in effect at such time;

WHEREAS, on October 25, 2024, the Notice was sent via electronic mail to Americay to the person designated as the Primary Company Contact in the contact employee fields on NMLS, at the electronic address provided therein and via electronic mail to Gilnack at the electronic address provided on NMLS;

WHEREAS, on November 8, 2024, Respondents requested a hearing, which is currently pending;

WHEREAS, in addition to the allegations made in the Notice, the Commissioner alleges that Gilnack: (1) made statements which were, at the time and in the light of the circumstances under which they were made, false or misleading in a material respect, in violation of Section 36a-53a of the Connecticut General Statutes, by failing to disclose outstanding judgments on his renewal applications for mortgage loan originator licensure; and (2) gave a fee, kickback or other thing of value pursuant to an agreement or understanding, that business incident to or part of a settlement service involving a federally related mortgage loan will be referred to Gilnack, in violation of 12 C.F.R. Section 1024.14(b) of Regulation X and Section 36a-678(c) of the Connecticut General Statutes, including, by paying at least one realtor for leads or referrals;

WHEREAS, the Commissioner believes that the allegations against Gilnack constitute sufficient grounds to revoke and refuse to renew Gilnack's mortgage loan originator license in Connecticut pursuant to Section 36a-494(a)(2) of the Connecticut General Statutes, and subsections (a) and (b) of Section

36a-51 of the Connecticut General Statutes, form a 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 of up to One Hundred Thousand Dollars (\$100,000) upon Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, such enforcement proceedings constitute a “contested case” within the meaning of Section 4-166(4) of the Connecticut General Statutes. Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, the Commissioner, Americay and Gilnack acknowledge the possible consequences of further administrative proceedings, and Americay and Gilnack each voluntarily agree to consent to the entry of the sanctions imposed below without admitting or denying the allegations in the Notice and any allegations set forth herein, and solely for the purpose of obviating the need for further administrative proceedings concerning the allegations in the Notice and the allegations set forth herein;

WHEREAS, Americay and Gilnack have each represented the inability to pay a civil penalty;

WHEREAS, the Commissioner and Respondents now desire to resolve the matters alleged in the Notice and the matters set forth herein;

WHEREAS, Americay and Gilnack each specifically assure the Commissioner that the violations alleged in the Notice and the violations alleged herein shall not occur in the future;

WHEREAS, Americay and Gilnack each acknowledge that they have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and execute this Consent Order freely;

WHEREAS, Americay and Gilnack each acknowledge that this Consent Order is a public record and is a reportable event for purposes of the regulatory disclosure questions on NMLS, as applicable;

AND WHEREAS, Americay and Gilnack, through their respective execution of this Consent Order, each voluntarily agree to waive their procedural rights, including a right to a notice and an opportunity for a hearing as it pertains to the allegations in the Notice and allegations set forth herein, and

each voluntarily waive their right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Americay and Gilnack, through their respective execution of this Consent Order, consent to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Based on the contents of the financial disclosure statement submitted to the Division, the imposition of any civil penalty that otherwise would have been imposed against Gilnack pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes shall be temporarily stayed for three years from the date this Consent Order is issued by the Commissioner, provided that such stay shall no longer be in force and effect, and Gilnack shall pay a civil penalty of Twenty-Five Thousand Dollars (\$25,000), if the Commissioner ascertains at any time that (a) Gilnack is able to pay a civil penalty; or (b) Gilnack failed to disclose any material asset, materially misstated the value of any asset or made any other material misstatement or omission in their financial disclosure statement. Gilnack, through his execution of this Consent Order, knowingly, willfully, and voluntarily waives his right to notice and an administrative hearing in conjunction with the implementation of this paragraph; provided, however, that, prior to the lifting of the stay pursuant to this paragraph, the Commissioner shall provide Gilnack with notice of the required payment of the civil penalty and an informal opportunity to demonstrate an inability to pay. Any such civil penalty shall be in addition to any other remedies that the Commissioner may seek for a violation of this Consent Order by Gilnack. Gilnack shall provide updates to the Division by submitting annual financial disclosure statements no later than February 28, 2026, February 28, 2027 and February 28, 2028. Absent any action by the Commissioner to lift the stay, Gilnack's obligation to pay the stayed civil penalty shall be vacated three years from the date this Consent Order is issued by the Commissioner without any further action or notice by the Commissioner;
2. No later than six (6) months from the date this Consent Order is issued by the Commissioner, Americay and Gilnack, jointly and severally, shall remit to the Department Three Thousand Seven Hundred Seventy-Seven and 60/100 Dollars (\$3,777.60) as full payment of the outstanding amount due for Invoice No. CC2403 for the Department's examination of Americay conducted in 2024;
3. No later than the date this Consent Order is executed by Americay and Gilnack, Americay and Gilnack, jointly and severally, shall refund any and all fees paid by any Connecticut resident to Americay for rescoring such resident's credit and provide satisfactory evidence of such refunds to the Commissioner;
4. No later than the date this Consent Order is executed by Gilnack, Gilnack shall amend his Individual (MU2) Form on NMLS to ensure complete and accurate disclosure of all information responsive to the application, including, but not limited to, administrative actions issued by the Department and outstanding judgments;

5. No later than twelve (12) months from the date this Consent Order is issued by the Commissioner, in addition to annual education required pursuant to Section 36a-489a(c) of the Connecticut General Statutes, Gilnack shall complete education/training classes concerning:
 - (a) Real Estate Settlement Procedures Act (RESPA), 12 U.S.C. Section 2601 *et seq.*, including, but not limited to Section 8, and Regulation X, 12 C.F.R. Part 1024, including, but not limited to 12 C.F.R Section 1024.14(b);
 - (b) Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act), 12 U.S.C. Section 5101 *et seq.* and Regulation H, 12 C.F.R. Part 1008;
 - (c) TILA-RESPA Integrated Disclosure requirements as set forth in Regulation X and Regulation Z, 12 C.F.R. Part 1026;
 - (d) Equal Credit Opportunity Act, 15 U.S.C. Section 1691 *et seq.*, and Regulation B, 12 C.F.R. Part 1002, including, but not limited to 12 C.F.R. Section 1002.9(a)(1);
 - (e) Fair Credit Reporting Act's Red Flags Rule, 16 C.F.R Part 681; and
 - (f) Unfair, Deceptive, or Abusive Acts or Practices, 12 U.S.C. Section 5531 *et seq.*

Gilnack shall provide evidence of such training to the Commissioner upon request;

6. For a period of five (5) years commencing on the date this Consent Order is issued by the Commissioner, Gilnack shall not act, directly or indirectly, as an owner, officer, director, branch manager, qualified individual or other control person, as defined in Section 36a-485 of the Connecticut General Statutes, (collectively, "Control Person") of any mortgage lender, mortgage correspondent lender or mortgage broker in Connecticut. After such five-year period, the determination of whether Gilnack may act as a Control Person of a mortgage lender, mortgage correspondent lender or mortgage broker in Connecticut shall be in the sole discretion of the Commissioner and conditioned upon Gilnack satisfactorily demonstrating to the Commissioner compliance with Connecticut and federal laws governing the mortgage industry;
7. Gilnack shall cease and desist from:
 - (a) making a statement in a document filed with the Commissioner which is, at the time and in the light of the circumstances under which it is made, false or misleading in a material respect, in violation of Section 36a-53a of the Connecticut General Statutes, including, but not limited to, false or misleading responses to disclosure questions on any application for mortgage loan originator licensure in Connecticut filed on NMLS;
 - (b) failing to include his NMLS unique identifier on business cards used for mortgage loan originator activities, in violation of Section 36a-498d(a)(3) of the Connecticut General Statutes;
 - (c) giving a fee, kickback or other thing of value pursuant to any agreement or understanding, that business incident to or part of a settlement service involving a federally related mortgage loan will be referred to Gilnack, in violation of 12 C.F.R. Section 1024.14(b) of Regulation X and Section 36a-678(c) of the Connecticut General Statutes, including, but not limited to, paying realtors for leads or referrals;

- (d) charging any fee to rescure the credit of a consumer, in violation of 15 U.S.C. Section 1681i(a)(1)(A) of the Fair Credit Reporting Act; and
 - (e) failing 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 violation of Section 36a-498e(b) of the Connecticut General Statutes;
8. Gilnack shall cooperate with the Commissioner and respond to the Department no later than five (5) business days from the date of any information request from the Department; and
 9. In the event that Gilnack violates any term of this Consent Order, as determined by the Commissioner, within the three-year period commencing on the date this Consent Order is issued by the Commissioner, the mortgage loan originator license of Gilnack in Connecticut shall be immediately **SUMMARILY REVOKED**, without any further notice or opportunity for a hearing. Gilnack knowingly and voluntarily waives his procedural rights in connection with any such revocation, including an opportunity for a hearing and any right to seek judicial review.

CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against Americay and Gilnack based upon the allegations contained in the Notice and set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Americay or Gilnack based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Americay or Gilnack and reflected herein is subsequently discovered to be untrue;
3. Americay and Gilnack shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis. Except as specifically provided herein, Americay and Gilnack shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects Americay's or Gilnack's (i) testimonial obligations, or (ii) right to take any legal or factual position that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Americay and its control persons and Gilnack on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Gilnack to apply for or obtain renewal license under Part I of Chapter 668, Sections 36a-485 et seq., of the Connecticut General

Statutes, provided that all applicable legal requirements for such licenses are satisfied and the terms of this Consent Order are being followed;

5. This Consent Order shall be binding upon Gilnack, Americay and its successors and assigns;
and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 31st day of March 2025.

/s/

Jorge L. Perez
Banking Commissioner

I, Christopher Gilnack, state on behalf of Americay Mortgage Corporation that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Americay Mortgage Corporation; that Americay Mortgage Corporation agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Americay Mortgage Corporation voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/
Name: Christopher Gilnack
Title: President
Americay Mortgage Corporation

State of: Connecticut

County of: Hartford

On this the 25th day of March 2025, before me, Jon C. Leary, the undersigned officer, personally appeared Christopher Gilnack, who acknowledged himself/herself to be the President of Americay Mortgage Corporation, a corporation, and that he/she as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as President.

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires:

I, Christopher Gilnack, state that I have read the foregoing Consent Order; that I know and fully understand its contents; that I agree freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that I voluntarily agree to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/ _____
Christopher Jon Gilnack

State of: Connecticut

County of: Hartford

On this the 25th day of March 2025, before me, Jon C. Leary, the undersigned officer, personally appeared Christopher Gilnack, known to me (or satisfactorily proven) to be the person whose name is subscribed within the instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.

/s/ _____
Notary Public
Date Commission Expires: