

Terms Completed

ORDER SUMMARY – Case Number: C-07-060

Name(s): Lisa A. Hill

Order Number: C-07-060-08-CO01

Effective Date: February 20, 2008

License Number: n/a

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
If applicable, you must specifically note the ending dates of terms.

License Effect: None

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	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: Respondent agrees to cooperate fully with the Department in any future hearing in this case.

RECEIVED

FEB 12 2008

CONSUMER SERVICES DIVISION
FINANCIAL INSTITUTIONS
OLYMPIA, WASHINGTON

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

AMERICAN LENDING CORPORATION,
SHAWN D. KONECKY, President,
SCOTT H. KONECKY, Vice President, and
LISA A. HILL, Secretary,

Respondents.

NO. C-07-060-08-CO01

CONSENT ORDER

LISA A. HILL

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Lisa A. Hill (hereinafter Respondent Hill), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of 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 Hill have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-07-060-07-SC01 (Statement of Charges), entered September 26, 2007, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent Hill hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above captioned matter as they relate to Respondent Hill may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges as to Respondent Hill only and agree that Respondent Hill does not admit any wrongdoing by its entry. Respondent Hill is further agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

C-07-026-08-CO01
LISA A. HILL

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent Hill has been informed of the right to a hearing
5 before an administrative law judge, and that she has waived her right to a hearing and any and all administrative
6 and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly,
7 Respondent Hill agrees to withdraw her appeal and to inform the Office of Administrative Hearings in writing of
8 her withdrawal.

9 C. **Stipulation to Facts.** Respondent Hill declares under penalty of perjury under the laws of the State
10 of Washington that the following facts are true and correct:

- 11 1. Respondent Shawn Konecky was married to Respondent Hill in 1992.
- 12 2. Respondent Shawn Konecky founded American Lending Corporation in about 1997 and
13 named Respondent Hill as Secretary of the corporation.
- 14 3. Respondent Hill did not begin working at American Lending Corporation until about the Fall
15 of 2002.
- 16 4. Respondent Hill stopped working at American Lending Corporation in Spring or early
17 Summer of 2004.
- 18 5. Respondent Hill and Respondent Shawn Konecky divorced in October 2007, at which time
19 Respondent Shaw Konecky was granted 100% interest in American Lending Corporation and
20 was ordered to remove Respondent Hill as a corporate officer.

21 D. **Complete Cooperation with the Department.** It is AGREED that Respondent Hill shall cooperate
22 fully, truthfully, and completely with the Department and provide any and all information known to her relating in
23 any manner to American Lending Corporation and any and all persons involved or in any way associated with
24 American Lending Corporation, including, but not limited to, the named Respondents, employees, businesses, and
25

1 persons with whom American Lending Corporation dealt, communicated, or otherwise related. It is further
2 AGREED that Respondent Hill shall provide any and all documents, writings or materials, or objects or things of
3 any kind in her possession or under her care, custody, or control relating directly or indirectly to all areas of
4 inquiry and investigation. A failure to cooperate fully, truthfully, and completely is a breach of this Consent
5 Order. It is further AGREED that Respondent Hill shall testify fully, truthfully, and completely at any proceeding
6 related to the Department's investigation and enforcement actions related to this matter, including, but not limited
7 to, American Lending Corporation and the named Respondents.

8 **E. No Fines, Investigation Costs, or Prohibitions.** It is AGREED that Respondent Hill will not be
9 subject to any fines, investigation costs, or prohibitions related to or resulting from this matter.

10 **F. Participation in the Industry.** Respondent Hill REPRESENTS that she is not currently participating
11 in the residential mortgage industry in Washington. Respondent Hill AGREES that in the future, should she wish
12 to participate in the residential mortgage industry in Washington in any capacity, she will fully and completely
13 comply with the Mortgage Broker Practices Act and the rules adopted thereunder, and any and all relevant statutes
14 and regulations in place at that time. It is further AGREED that the conduct giving rise to the above-referenced
15 Statement of Charges will not be considered by the Department in the assessment of any future application for a
16 mortgage broker or loan originator license in Washington, in the event Respondent Hill wishes to pursue the
17 application.

18 **G. Non-Compliance with Order.** It is AGREED that Respondent Hill understands that failure to
19 abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In
20 the event of such legal action, Respondent Hill may be responsible to reimburse the Director for the cost
21 incurred in pursuing such action, including but not limited to, attorney fees.

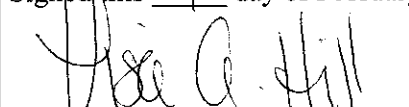
22 **H. Voluntarily Entered.** It is AGREED that the undersigned Respondent Hill has voluntarily entered
23 into this Consent Order, which is effective when signed by the Director's designee.

1 I. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent Hill has read this
2 Consent Order in its entirety and fully understand and agree to all of the same.

3 **RESPONDENT:**

4 **LISA A. HILL**

5 Signed this 7th day of February, 2008, in LaGrande, Oregon.

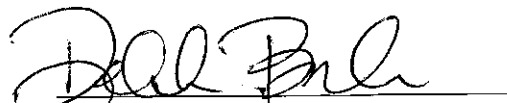
6 
7 Lisa A. Hill

8 DO NOT WRITE BELOW THIS LINE

9 THIS ORDER ENTERED THIS 20th DAY OF February, 2008.




15
16
17
18
19


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

20 Presented By:

21
22
23
24


Steven C. Sherman
Financial Legal Examiner

25 Approved By:


James R. Brusselback
Enforcement Chief

CONSENT ORDER

4

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

C-07-026-08-CO01
LISA A. HILL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of
Washington by:

NO. C-07-060-07-SC01

AMERICAN LENDING CORPORATION,
SHAWN D. KONECKY, President,
SCOTT H. KONECKY, Vice President, and
LISA A. HILL, Secretary,

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO CEASE AND DESIST, IMPOSE
FINE, PROHIBIT FROM INDUSTRY, AND
COLLECT INVESTIGATION FEE

Respondents.

INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act)¹. After having conducted an investigation pursuant to RCW 19.146.235, 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 Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. **American Lending Corporation (American Lending)** of La Grande, Oregon, is registered with the Washington Secretary of State as a for-profit corporation incorporated in the State

¹ RCW 19.146 (1994)

1 of Oregon. American Lending has never been licensed as a mortgage broker in the State of
2 Washington, and American Lending does not qualify for any exemption from the Act.

3 **B. Shawn D. Konecky (Shawn Konecky)** is President of American Lending Corporation
4 and has never been licensed as a mortgage broker in the State of Washington.

5 ~~C. **Scott H. Konecky** is Vice President of American Lending Corporation and has never~~
6 ~~been licensed as a mortgage broker in the State of Washington.~~

7 **D. Lisa A. Hill** is Secretary of American Lending Corporation and has never been licensed
8 as a mortgage broker in the State of Washington.
9

10 **1.2 Unlicensed Location.** Respondents are known to have conducted the business of a mortgage
11 broker from 1202 Adams Avenue, La Grande, Oregon 97850. To date, Respondents have never
12 applied for or received a license from the Department to conduct the business of a mortgage broker
13 from that or any other location.

14 **1.3 Unlicensed Activity.** Between July 1, 2005, and August 1, 2005, Respondent American
15 Lending assisted at least one (1) borrower in applying to obtain a residential mortgage loan on
16 property located in the State of Washington from the unlicensed locations discussed in paragraph 1.2.

17 **1.4 Failure to Respond to Directives.** On October 17, 2006, the Department served a directive on
18 Respondents American Lending and Shawn Konecky by Federal Express Overnight Delivery and by
19 first class mail. This Directive required Respondents to provide a list of all residential mortgage loans
20 made by American Lending for borrowers in the State of Washington, and several specific loan
21 documents for each file. The deadline for providing these documents was on or before October 31,
22 2006. Respondent Shawn Konecky telephoned the Department on October 17, 2006, and confirmed
23 receipt of the Directive, but Respondents did not provide the required documents.
24
25

1 On January 10, 2007, the Department served a subpoena on Respondents American Lending
2 and Shawn Konecky demanding production of the same documents requested in the Department's
3 Directive of October 17, 2006. On January 12, 2007, Respondent Shawn Konecky telephoned the
4 Department, confirmed receipt of the subpoena, and requested clarification of the specific documents
5 the Department wanted. The Department provided this information, but Respondents did not provide
6 the required documents. To date, Respondents have not provided the documents required by these
7 directives.

8 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
9 Act by Respondents continues to date.

11 II. GROUNDS FOR ENTRY OF ORDER

12 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-
13 010(29), "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
14 compensation or gain (a) makes a residential mortgage loan or assists a person in obtaining or
15 applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to make
16 a residential mortgage loan or assist a person in obtaining or applying to obtain a residential mortgage
17 loan.

18 **2.2 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in
19 Section I above, Respondents are in apparent violation of RCW 19.146.200 for engaging in the
20 business of a mortgage broker without first obtaining and maintaining a license under the Act.

21 **2.3 Requirement to Comply with Directives.** Based on the Factual Allegations set forth in
22 Section I above, Respondents are in apparent violation of RCW 19.146.235 for failing to comply with
23 two directives issued by the Department.
24
25

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(2)(d)(i), the
3 Director may issue orders directing a licensee, its employee or loan originator, or other person subject to
4 the Act to cease and desist from conducting business in a manner that is injurious to the public or violates
5 any provision of the Act.

6 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(c)(i) and (ii) and WAC 208-660-
7 165, the Director may impose fines on a licensee, employee or loan originator of the licensee, or other
8 person subject to the Act for any violations of RCW 19.146.200 or failure to comply with a directive
9 or order of the Director.
10

11 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e)(i) and (iv), the
12 Director may issue orders removing from office or prohibiting from participation in the conduct of the
13 affairs of a licensed mortgage broker, or both, any officer, principal, employee, or loan originator of
14 any licensed mortgage broker or any person subject to licensing under the Act for any violation of
15 RCW 19.146.200 or failure to comply with a directive or order of the Director.

16 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
17 060(4), and WAC 208-660-061, upon completion of any investigation of any person subject to the Act,
18 the Department is entitled to collect an investigation fee calculated at the rate of forty-seven dollars and
19 seventy-eight cents (\$47.78) per hour that each staff person devoted to the investigation.
20

21 //
22 //
23 //
24 //

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

2 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
3 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 19.146.220, RCW 19.146.221, and
5 RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

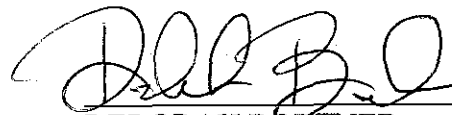
- 6 **4.1** Respondents American Lending Corporation, Shawn D. Konecky, Scott H. Konecky, and Lisa A.
7 Hill cease and desist conducting the business of a mortgage broker in the State of Washington;
- 8 **4.2** Respondents American Lending Corporation, Shawn D. Konecky, Scott H. Konecky, and Lisa A.
9 Hill jointly and severally pay a fine of \$9,000;
- 10 **4.3** Respondent American Lending Corporation be prohibited from participation in the conduct of the
11 affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of
12 five (5) years; and
- 13 **4.4** Respondent Shawn D. Konecky be prohibited from participation in the conduct of the affairs of
14 any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5)
15 years; and
- 16 **4.5** Respondent Scott H. Konecky be prohibited from participation in the conduct of the affairs of any
17 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
18 and
- 19 **4.6** Respondent Lisa A. Hill be prohibited from participation in the conduct of the affairs of any
20 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
21 and
- 22 **4.7** Respondents American Lending Corporation, Shawn D. Konecky, Scott H. Konecky, and Lisa A.
23 Hill jointly and severally pay an investigation fee in the amount of \$668.92 calculated at \$47.78
24 per hour for the fourteen (14) staff hours devoted to the investigation; and
- 25 **4.8** Respondents maintain records in compliance with the Act and provide the Department with the
location of the books, records and other information relating to Respondent American Lending
Corporation's mortgage broker business, and the name, address and telephone number of the
individual responsible for maintenance of such records in compliance with the Act.

//
//
//
//
//

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist,
3 Impose Fine, Prohibit from Industry, and Collect Investigation Fee (Statement of Charges) is entered
4 pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and
5 RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative
6 Procedure Act). Respondent may make a written request for a hearing as set forth in the NOTICE OF
7 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
8 Statement of Charges.
9

10 Dated this 26th day of September, 2007.
11

12 

13 DEBORAH BORTNER
14 Director
15 Division of Consumer Services
16 Department of Financial Institutions


17 Presented by:

18 

19 STEVEN C. SHERMAN
20 Financial Legal Examiner



21 Approved by:

22 
23 JAMES R. BRUSSELBACK
24 Enforcement Chief
25