

ORDER SUMMARY
Consumer Services Division Case Number C-20-3025

Consent Orders resolve investigations. In these, companies and individuals work with us to agree to terms that resolve the issues in the investigation.

Name	Christopher Marcus Urani NMLS #237924
Order Number	C-20-3025-23-CO02
Date issued	May 16, 2023

What does this Consent Order require?

- Must pay a fine of \$2436.91. *The fine shall be paid in 8 monthly installments of \$50.00, and 1 monthly installment of \$2036.91 due on the last day of the month beginning May 2023.*
- Respondent isn't allowed to participate in consumer lending in Washington until May 16, 2028.
- Respondent agrees to not apply for a license in Washington under any name until May 16, 2028.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or cseforcecomplaints@dfi.wa.gov. *Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.*

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **DIVISION OF CONSUMER SERVICES**

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

No.: C-20-3025-23-CO02

CONSENT ORDER RE:

CHRISTOPHER MARCUS URANI

5 KRKABOB INCORPORATED,
NMLS No. 233989,
6 JOSEPH MICHAEL PENNINGTON,
NMLS No. 213754,
7 Chief Executive Officer and Director,
KENNETH JAMES PITTMAN,
8 NMLS No. 233927, Secretary, and
CHRISTOPHER MARCUS URANI,
9 NMLS No. 237924, Chief Financial Officer,

10 Respondents.

11 COMES NOW the Director of the Department of Financial Institutions (Director), through his
12 designee Lucinda Fazio, Division of Consumer Services Director, and Christopher Marcus Urani (Respondent
13 Urani), Chief Financial Officer of KRKABOB Incorporated, and finding that the issues raised in the above-
14 captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This
15 Consent Order is entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW
16 34.05.060 of the Administrative Procedure Act, based upon the following:

17 **AGREEMENT AND ORDER**

18 The Department of Financial Institutions, Division of Consumer Services (Department) and
19 Respondent Urani have agreed upon a basis for resolution of the matters alleged in Statement of Charges No.
20 C-20-3025-21-SC01 (Statement of Charges), entered February 12, 2021, (copy attached hereto) solely as to
21 Respondent Urani. Pursuant to chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW 34.05.060 of the
22 Administrative Procedure Act, Respondent Urani hereby agrees to the Department's entry of this Consent
23 Order and further agree that the issues raised in the above-captioned matter may be economically and
efficiently settled by entry of this Consent Order, solely as to Respondent Urani. The signing parties intend this

1 Consent Order to fully resolve the Statement of Charges as it pertains to Respondent Urani, and agree that
2 Respondent Urani does not admit any wrongdoing by its entry. Respondent Urani is agreeing not to contest
3 the Statement of Charges in consideration of the terms of this Consent Order.

4 Based upon the foregoing:

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

7 **B. Waiver of Hearing.** It is AGREED that Respondent Urani has been informed of the right to a
8 hearing before an administrative law judge, and hereby waives their right to a hearing and any and all
9 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.

10 Accordingly, Respondent Urani, by their signature below, withdraws their appeal to the Office of
11 Administrative Hearings.

12 **C. Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the date of
13 entry of this Consent Order, Respondent Urani is prohibited from participating, in any capacity, in the conduct
14 of the affairs of any consumer loan company licensed by the Department or subject to licensure or regulation
15 by the Department.

16 **D. Application for License.** It is AGREED that, for a period of five (5) years from the date of entry
17 of this Consent Order, Respondent Urani shall not apply to the Department for any license under any name. It
18 is further AGREED that, should Respondent Urani apply to the Department for any license under any name at
19 any time later than five (5) years from the date of entry of this Consent Order, Respondent Urani shall be
20 required to meet any and all application requirements in effect at that time.

21 **E. Fine.** It is AGREED that Respondent Urani shall pay a fine to the Department in the amount of
22 \$2,436.91. The Fine balance shall be paid in eight (8) monthly installments of \$50.00 and one (1) monthly
23 installment of \$2,036.91, each installment due by the last day of the month beginning May 2023, via cashier's
24 checks made payable to the "Washington State Treasurer." The Fine balance shall be paid in full by January

1 31, 2024. Failure to pay as agreed is a violation of this Consent Order, and the Department may refer the
2 remaining debt to collections without notice.

3 **F. Change of Address.** It is AGREED that for the duration of the period this Consent Order is in
4 effect, unless otherwise agreed to in writing by the Department, Respondent Urani shall provide the
5 Department with a mailing address and telephone number at which Respondent Urani can be contacted and
6 Respondent Urani shall notify the Department in writing of any changes to their mailing address or telephone
7 number within fifteen days of any such change.

8 **G. Complete Cooperation with the Department.** It is AGREED that, upon written request by the
9 Department, Respondent Urani shall provide the Department truthful and complete sworn statements outlining
10 their activities with respect to KRKABOB Incorporated and any and all persons involved or in any way
11 associated with KRKABOB Incorporated, including but not limited to owners, employees, independent
12 contractors, agents, businesses, and persons with whom KRKABOB Incorporated dealt, communicated, or
13 otherwise related. The “sworn statements” may take the form of affidavits, declarations, or deposition
14 testimony, at the Department’s discretion. A failure to cooperate fully, truthfully, and completely is a breach
15 of this Consent Order. In addition to providing sworn statements, it is AGREED that, upon written request by
16 the Department, Respondent Urani shall cooperate fully, truthfully, and completely with the Department and
17 provide any and all information known to them relating in any manner to KRKABOB Incorporated and any
18 and all persons involved or in any way associated with KRKABOB Incorporated, including but not limited to
19 owners, employees, independent contractors, agents, businesses, and persons with whom KRKABOB
20 Incorporated dealt, communicated, or otherwise related. It is further AGREED that, upon written request by
21 the Department, Respondent Urani shall provide any and all documents, writings or materials or objects, or
22 things of any kind in their possession or under their care, custody, or control that they are authorized to
23 possess, obtain, or distribute relating directly or indirectly to all areas of inquiry and investigation. It is further
24 AGREED that Respondent Urani shall testify fully, truthfully, and completely at any and all proceedings
related to any Department investigation or enforcement action or both related to any and all persons involved

1 Presented by:

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3 /s/

4 KRISTINA M. SHENEFELT
Financial Legal Examiner

5 Approved by:

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7 /s/

8 JACK McCLELLAN
Enforcement Chief

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1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **DIVISION OF CONSUMER SERVICES**

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

5 **KRKABOB INCORPORATED,**
6 NMLS No. 233989,
7 **JOSEPH MICHAEL PENNINGTON,**
8 NMLS No. 213754,
Chief Executive Officer and Director,
9 **KENNETH JAMES PITTMAN,**
NMLS No. 233927, Secretary, and
10 **CHRISTOPHER MARCUS URANI,**
NMLS No. 237924, Chief Financial Officer,

Respondents.

No. C-20-3025-21-SC01

**STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST, REVOKE
LICENSE, PROHIBIT FROM INDUSTRY,
FILE ANNUAL REPORTS, COLLECT
ANNUAL ASSESSMENT, ASSESS LATE
PENALTIES, IMPOSE FINE, COLLECT
INVESTIGATION FEE, and RECOVER
COSTS AND EXPENSES**

11 **INTRODUCTION**

12 Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial
13 Institutions of the State of Washington (Director) is responsible for the administration of chapter
14 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to
15 RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the
16 Director, through his designee, Division of Consumer Services Director Lucinda Fazio, institutes this
17 proceeding and finds as follows:

18 **I. FACTUAL ALLEGATIONS**

19 **1.1 Respondents.**

20 **A. KRKABOB Incorporated (Respondent KRKABOB)** was licensed by the
21 Department of Financial Institutions of the State of Washington (Department) to conduct business as
22 a consumer loan company on or about September 18, 2014, and continued to be licensed until its
23 license expired on April 20, 2020.

1 **B. Joseph Michael Pennington (Respondent Pennington)** is Chief Executive Officer
2 and Director of Respondent KRKABOB. Respondent Pennington has never been licensed by the
3 Department to conduct business as a mortgage loan originator.

4 **C. Kenneth James Pittman (Respondent Pittman)** is Secretary of Respondent
5 KRKABOB. Respondent Pittman was licensed by the Department to conduct business as a mortgage
6 loan originator on or about April 11, 2017, and continued to be licensed until his license expired on
7 January 1, 2020.

8 **D. Christopher Marcus Urani (Respondent Urani)** is Chief Financial Officer, Primary
9 Company Contact, and Primary Regulator Contact of Respondent KRKABOB. Respondent Urani
10 has never been licensed by the Department to conduct business as a mortgage loan originator.

11 **1.2 Failure to File Annual Assessment Reports.** Respondent KRKABOB was required to file
12 its 2019 Consumer Loan Annual Assessment Report and Consolidated Annual Report (2019
13 Consumer Loan Annual Assessment Reports) on or before March 1, 2020, or within thirty (30) days
14 of closure. Respondent KRKABOB did not file its 2019 Consumer Loan Annual Assessment
15 Reports on or before March 1, 2020, or within thirty (30) days of a closure.

16 **1.3 Failure to Pay Annual Assessment Fee.** Respondent KRKABOB was required to pay to the
17 director its 2019 Annual Assessment Fee for activity during the reporting year on or before March 1,
18 2020, or within thirty (30) days of closure. Respondent KRKABOB did not pay its 2019 Annual
19 Assessment Fee on or before March 1, 2020, or within thirty (30) days of a closure.

20 **1.4 Failure to Comply with Department's Authority.** On March 13, 2020, the Department sent
21 Respondents a Late Letter notifying Respondents that if the Department did not receive the 2019
22 Consumer Loan Annual Assessment Reports and Annual Assessment Fee, including any applicable
23 late fee due, by April 2, 2020, the Department would send a final letter notifying Respondents of

1 pending license expiration. On April 3, 2020, the Department sent Respondents a Notice of Pending
2 License Expiration, notifying Respondents that if the Department did not receive the 2019 Consumer
3 Loan Annual Assessment Reports and Annual Assessment Fee, including any applicable late fee due,
4 within 15 days, Respondent KRKABOB's license would expire. The Department did not receive a
5 response and the matter was referred to the Department's Enforcement Unit.

6 On June 18, 2020, the Department sent Respondents an Enforcement Letter directing
7 Respondent KRKABOB to file the 2019 Consumer Loan Annual Assessment Reports and Annual
8 Assessment Fee, including any applicable late fee due, by July 6, 2020. On August 3, 2020, the
9 Department sent Respondents a second Enforcement Letter directing Respondent KRKABOB to file
10 the 2019 Consumer Loan Annual Assessment Reports and Annual Assessment Fee, including any
11 applicable late fee due, by August 18, 2020. On November 6, 2020, and November 10, 2020, the
12 Department sent Respondents a third Enforcement Letter directing Respondent KRKABOB to file
13 the 2019 Consumer Loan Annual Assessment Reports and Annual Assessment Fee, including any
14 applicable late fee due, by November 25, 2020. As of the date of this Statement of Charges,
15 Respondents have failed to file the 2019 Consumer Loan Annual Assessment Reports and pay the
16 Annual Assessment Fee, including any applicable late fee due, or otherwise respond to the
17 Department's communications.

18 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
19 Act by Respondents continues to date.

20 II. GROUNDS FOR ENTRY OF ORDER

21 **2.1 Requirement to File Annual Assessment Reports.** Based on the Factual Allegations set
22 forth in Section I above, Respondents are in apparent violation of RCW 31.04.155, WAC 208-620-
23 430(1), WAC 208-620-460(1), and WAC 208-620-499(2) for failing to file Respondent

1 KRKABOB's 2019 Consumer Loan Annual Assessment Reports on or before March 1, 2020, or
2 within thirty (30) days of closure.

3 **2.2 Requirement to Pay Annual Assessment Fee.** Based on the Factual Allegations set forth in
4 Section I above, Respondents are in apparent violation of RCW 31.04.085, WAC 208-620-430(1),
5 WAC 208-620-460(1), and WAC 208-620-499(2) for failing to pay Respondent KRKABOB's 2019
6 Annual Assessment Fee on or before March 1, 2020, or within thirty (30) days of closure.

7 **2.3 Requirement to Comply with the Department's Authority.** Based on the Factual
8 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.04.145
9 for failing to comply with the Department's March 13, 2020, April 3, 2020, June 18, 2020, August 3,
10 2020, November 6, 2020, and November 10, 2020, Notices and Enforcement Letters.

11 **III. AUTHORITY TO IMPOSE SANCTIONS**

12 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
13 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
14 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
15 violates any provision of the Act.

16 **3.2 Authority to Revoke License.** Pursuant to RCW 31.04.093(3), the Director may revoke a
17 license for failure to pay any fee due to the state of Washington, failure to maintain the required
18 surety bond, failure to comply with any specific order or demand, or failure to comply with any
19 directive, order, or subpoena issued by the Director under the Act.

20 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
21 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
22 employee, mortgage loan originator, or any other person subject to the Act for a violation of RCW
23 RCW 31.04.155.

1 **3.4 Authority to Order Affirmative Action.** Pursuant to RCW 31.04.093(5)(b), the Director may
2 issue an order directing a licensee, its employee or loan originator, or any other person subject to the
3 Act to take such affirmative action as is necessary to comply with the Act.

4 **3.5 Authority to Collect Annual Assessment Fee.** Pursuant to RCW 31.04.085 and WAC 208-
5 620-430, a licensee shall, on or before the first day of each March or within thirty (30) days of
6 ceasing Washington operations, pay to the director an annual assessment fee for the previous calendar
7 year if the licensee had a license for any time during the preceding calendar year.

8 **3.6 Authority to Assess Late Penalties.** Pursuant to RCW 31.04.155 and WAC 208-620-430(2),
9 a licensee that fails to submit the required annual assessment reports and annual assessment fee by
10 the due date is subject to a penalty of fifty dollars for each item for each day of delay. The maximum
11 late penalty that will be assessed is five thousand dollars per reporting year.

12 **3.7 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
13 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
14 any other person subject to the Act for any violation of the Act or failure to comply with any order or
15 subpoena issued by the Director under the Act.

16 **3.8 Authority to Charge Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-
17 590, WAC 208-620-610(7), every licensee investigated by the Director or the Director's designee
18 shall pay for the cost of the investigation, calculated at the rate of \$69.01 per staff hour devoted to the
19 investigation.

20 **3.9 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director
21 may recover the state's costs and expenses for prosecuting violations of the Act.

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

2 Respondents’ violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,
3 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
4 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW
5 34.04.202, and RCW 31.04.205. Therefore, it is the Director’s intent to ORDER that:

- 6 **4.1** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
7 Pittman, and Christopher Marcus Urani cease and desist all consumer loan company
and/or mortgage loan originator activity.
- 8 **4.2** Respondent KRKABOB Incorporated license to conduct the business of a
9 consumer loan company be revoked.
- 10 **4.3** Respondent Kenneth James Pittman license to conduct the business of a mortgage loan
originator be revoked.
- 11 **4.4** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
12 Pittman, and Christopher Marcus Urani be prohibited from participation in the conduct
of the affairs of any consumer loan company subject to licensure by the Director, in
13 any manner, for a period of five years.
- 14 **4.5** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
15 Pittman, and Christopher Marcus Urani provide the Department with the completed
2019 Consumer Loan Annual Assessment Reports.
- 16 **4.6** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
17 Pittman, and Christopher Marcus Urani jointly and severally pay the 2019 Annual
Assessment Fee, as calculated in accordance with the Act.
- 18 **4.7** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
19 Pittman, and Christopher Marcus Urani jointly and severally pay a \$5,000 Late
Penalty for failing to timely file Respondent KRKABOB Incorporated’s 2019
Consumer Loan Annual Assessment Reports and pay the Annual Assessment Fee.
- 20 **4.8** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
21 Pittman, and Christopher Marcus Urani jointly and severally pay a fine. As of the date
of this Statement of Charges, the fine totals \$4,850.00.
- 22 **4.9** Respondents KRKABOB Incorporated, Joseph Michael Pennington, Kenneth James
23 Pittman, and Christopher Marcus Urani jointly and severally pay an investigation fee.
As of the date of this Statement of Charges, the investigation fee totals \$1,086.91.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist, Revoke
3 License, Prohibit from Industry, File Annual Reports, Collect Annual Assessment, Assess Late
4 Penalties, Impose Fine, Collect Investigation Fee, and Recover Costs And Expenses (Statement of
5 Charges) is entered pursuant to the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202,
6 and RCW 31.04.205, and is subject to the provisions of chapter 34.05 RCW (The Administrative
7 Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE
8 OF OPPORTUNITY FOR ADJUDICATIVE HEARING AND TO DEFEND accompanying this
9 Statement of Charges.

10 Dated this 12th day of February, 2021.



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/s/
Lucinda Fazio, Director
Division of Consumer Services
Department of Financial Institutions

18 Presented by:

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/s/
KRISTINA M. SHENEFELT
Financial Legal Examiner

22 Approved by:

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/s/
STEVEN C. SHERMAN
Enforcement Chief