

## ORDER SUMMARY – Case Number: C-11-0589

**Name(s):** K2 Capital Management Inc dba US Mortgage Bailout;  
Ian Kideys; Brian Kandefer; Lauren Layton

**Order Number:** C-11-0589-12-FO01

**Effective Date:** May 18, 2012

**License Number:** Kideys: NMLS 366239; Kandefer: NMLS 907356;  
**Or NMLS Identifier [U/L]** Layton: NMLS 327046; K2: NMLS 940222  
(Revoked, suspended, stayed, application denied or withdrawn)  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:** May 18, 2017

**Prohibition/Ban Until:** May 18, 2017

<b>Investigation Costs</b>	\$988.00	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$15,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

**Comments:**  
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# Terms Completed

## ORDER SUMMARY – Case Number: C-11-0589

**Name(s):** Lauren Layton

**Order Number:** C-11-0589-13-CO01

**Effective Date:** April 22, 2013

**License Number:** NMLS #327046

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:**

**Not Apply Until:**

**Not Eligible Until:**

**Prohibition/Ban Until:**

<b>Investigation Costs</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: withdrawal of Final Order as to Layton only, Layton agrees to complete cooperation with the Department

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

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

K2 CAPITAL MANAGEMENT, INC.,  
d/b/a US MORTGAGE BAILOUT,  
IAN KIDEYS, Owner, BRIAN KANDEFER,  
Owner, and LAUREN LAYTON, Owner,

Respondents.

No.: C-11-0589-13-CO01

CONSENT ORDER AND ORDER  
WITHDRAWING FINAL ORDER AS TO  
LAUREN LAYTON

COME NOW the Director of the Department of Financial Institutions (Director), through his  
designee Deborah Bortner, Division Director, Division of Consumer Services, and Lauren Layton  
(Respondent Layton), and finding that the issues raised in the above-captioned matter, solely as  
related to Respondent Layton, 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 the 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 Layton have agreed upon a basis for resolution of the matters alleged in Statement of  
Charges No. C-11-0589-11-SC01 (Statement of Charges), entered October 17, 2011, (copy attached  
hereto), solely as related to Respondent Layton. Pursuant to chapter 19.146 RCW, the Mortgage  
Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent  
Layton hereby agrees to the Department's entry of this Consent Order and further agrees that the  
issues raised in the above-captioned matter may be economically and efficiently settled by entry of

1 this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges  
2 solely as related to Respondent Layton.

3 Based upon the foregoing:

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

6 **B. Waiver of Hearing.** It is AGREED that Respondent Layton has been informed of the  
7 right to a hearing before an administrative law judge, and waived her right to a hearing and any and  
8 all administrative and judicial review of the issues raised in this matter, or of the resolution reached  
9 herein, by failing to timely file an Application for Adjudicative Hearing.

10 **C. Withdrawal of Final Order.** It is AGREED that Final Order C-11-0589-12-FO01 is  
11 withdrawn as to Respondent Lauren Layton.

12 **D. No Admission of Liability.** The parties intend this Consent Order to fully resolve the  
13 Statement of Charges and agree that Respondent Layton does not admit to any wrongdoing by its  
14 entry.

15 **E. Declaration of Financial Condition.** It is AGREED that Respondent Layton has  
16 provided the Department with a Declaration comprehensively describing her current financial  
17 condition.

18 **F. Complete Cooperation with the Department (Statements).** It is AGREED that, upon  
19 written request by the Department, Respondent Layton shall provide the Department truthful and  
20 complete sworn statements outlining her activities with respect to K2 Capital Management, Inc.,  
21 d/b/a US Mortgage Bailout (K2) and any and all persons involved or in any way associated with K2,  
22 including but not limited to owners, employees, independent contractors, agents, businesses and  
23 persons with whom Respondent Layton dealt, communicated, or otherwise related. The "sworn

1 statements" may take the form of affidavits, declarations, or deposition testimony, at the  
2 Department's discretion. A failure to cooperate fully, truthfully, and completely is a breach of this  
3 Consent Order.

4 **G. Complete Cooperation with the Department.** In addition to providing the sworn  
5 statements as described in Paragraph F, it is AGREED that, upon written request by the Department,  
6 Respondent Layton shall cooperate fully, truthfully, and completely with the Department and provide  
7 any and all information known to her relating in any manner to K2 and any and all persons involved  
8 or in any way associated with K2, including but not limited to owners, employees, independent  
9 contractors, agents, businesses and persons with whom Respondent Layton dealt, communicated, or  
10 otherwise related. It is further AGREED that, upon written request by the Department, Respondent  
11 Layton shall provide any and all documents, writings or materials, or objects or things of any kind in  
12 her possession or under her care, custody, or control that she is authorized to possess, obtain, or  
13 distribute relating directly or indirectly to all areas of inquiry and investigation. It is further  
14 AGREED that Respondent Layton shall testify fully, truthfully, and completely at any and all  
15 proceedings related to any Department investigation or enforcement action or both related to any and  
16 all persons involved or in any way associated with K2, and any respondents named therein. A failure  
17 to cooperate fully, truthfully, and completely is a breach of this Consent Order.

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

1 I. **Voluntarily Entered.** It is AGREED that the undersigned Respondent Layton has  
2 voluntarily entered into this Consent Order, which is effective when signed by the Director's  
3 designee.

4 J. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent Layton  
5 has read this Consent Order in its entirety and fully understands and agrees to all of the same.

6 **RESPONDENT:**  
7 [Redacted]  
8 **LAUREN K. LAYTON**  
Individually

4/16/13  
Date

11 DO NOT WRITE BELOW THIS LINE

12 THIS ORDER ENTERED THIS 22<sup>nd</sup> DAY OF April, 2013



13 [Redacted]  
14 **DEBORAH BORTNER**  
15 Director  
16 Division of Consumer Services  
17 Department of Financial Institutions

18 Presented by:  
19 [Redacted]  
20 **SHANA L. OLIVER**  
Financial Legal Examiner

21 Approved by:  
22 [Redacted]  
23 **CHARLES E. CLARK**  
Enforcement Chief

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  
Mortgage Broker Practices Act of Washington by:

No.: C-11-0589-12-FO01

5 K2 CAPITAL MANAGEMENT, INC.,  
6 d/b/a US MORTGAGE BAILOUT,  
IAN KIDEYS, Owner, BRIAN KANDEFER,  
7 Owner, and LAUREN LAYTON, Owner,

FINAL ORDER

Respondents.

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9 I. DIRECTOR'S CONSIDERATION

10 A. Default. This matter has come before the Director of the Department of Financial  
11 Institutions of the State of Washington (Director), through his designee, Consumer Services Division  
12 Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On October 17,  
13 2011, the Director, through the Director's designee, issued a Statement of Charges and Notice of  
14 Intention to Enter an Order to Cease and Desist, Prohibit from Industry, Order Restitution, Impose  
15 Fine, and Collect Investigation Fee (Statement of Charges) against K2 Capital Management d/b/a US  
16 Mortgage Bailout (K2 Capital), Ian Kideys, Brian Kandefer, and Lauren Layton (Respondents). A  
17 copy of the Statement of Charges is attached and incorporated into this order by this reference. The  
18 Statement of Charges was accompanied by a cover letter dated October 19, 2011, a Notice of  
19 Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative  
20 Hearing for Respondents (collectively, accompanying documents).

21 On October 19, 2011, the Department served Respondents Kideys and Kandefer with the  
22 Statement of Charges and accompanying documents by First-Class mail and Federal Express  
23 overnight delivery, served Respondent Layton with the Statement of Charges and accompanying

1 documents by First-Class mail and Certified mail, and served Respondent K2 Capital with the  
2 Statement of Charges and accompanying documents by First-Class mail, Federal Express overnight  
3 delivery, and Certified mail. On October 26, 2011, Federal Express notified the Department that the  
4 documents sent to Respondent Kandefer were unclaimed. On November 1, 2011, Federal Express  
5 notified the Department that the documents sent to Respondent Kideys were "refused by recipient."  
6 On November 18, 2011, the documents sent to Respondent Layton via Certified mail were returned to  
7 the Department as "unclaimed." The documents served by First-Class mail were sent to addresses  
8 verified by the United States Postal Service and were not returned to the Department as  
9 undeliverable.

10 Respondents did not request an adjudicative hearing within twenty calendar days after the  
11 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for  
12 in WAC 208-08-050(2).

13 B. Record Presented. The record presented to the Director's designee for her review and  
14 for entry of a final decision included the following: Statement of Charges, cover letter dated October  
15 19, 2011, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for  
16 Adjudicative Hearing for Respondents, with documentation for service.

17 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the  
18 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

## 19 II. FINAL ORDER

20 Based upon the foregoing, and the Director's designee having considered the record and being  
21 otherwise fully advised, NOW, THEREFORE:

22 A. IT IS HEREBY ORDERED, That:



- 1           1. Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian  
2           Kideys, Brian Kandefer, and Lauren Layton cease and desist engaging in the  
3           business of a mortgage broker or loan originator in regards to residents of the State  
4           of Washington or property located in the State of Washington.
- 5           2. Respondent K2 Capital Management, Inc., d/b/a US Mortgage Bailout, is  
6           prohibited from participation in the conduct of the affairs of any mortgage broker  
7           subject to licensure by the Director, in any manner, for a period of 5 years.
- 8           3. Respondent Ian Kideys is prohibited from participation in the conduct of the  
9           affairs of any mortgage broker subject to licensure by the Director, in any manner,  
10          for a period of 5 years.
- 11          4. Respondent Brian Kandefer is prohibited from participation in the conduct of the  
12          affairs of any mortgage broker subject to licensure by the Director, in any manner,  
13          for a period of 5 years.
- 14          5. Respondent Lauren Layton is prohibited from participation in the conduct of the  
15          affairs of any mortgage broker subject to licensure by the Director, in any manner,  
16          for a period of 5 years.
- 17          6. Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian  
18          Kideys, Brian Kandefer, and Lauren Layton jointly and severally pay a fine in the  
19          amount of \$15,000.
- 20          7. Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian  
21          Kideys, Brian Kandefer, and Lauren Layton jointly and severally pay an  
22          investigation fee of \$988.80.
- 23          8. Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian  
24          Kideys, Brian Kandefer, and Lauren Layton maintain records in compliance with  
            the Act and provide the Department with the location of the books, records and  
            other information relating to Respondent K2 Capital Management Inc., d/b/a US  
            Mortgage Bailout'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.

20           B.     Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a  
21     Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
22     must be filed in the Office of the Director of the Department of Financial Institutions by courier at  
23     150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,

1 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The  
2 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
3 Reconsideration a prerequisite for seeking judicial review in this matter.

4 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the  
5 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a  
6 written notice specifying the date by which it will act on a petition.

7 C. Stay of Order. The Director's designee has determined not to consider a Petition to  
8 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition  
9 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

10 D. Judicial Review. Respondents have the right to petition the superior court for judicial  
11 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
12 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

13 E. Non-compliance with Order. If you do not comply with the terms of this order, the  
14 Department may seek its enforcement by the Office of the Attorney General to include the collection  
15 of the fines and fees imposed herein. The Department also may assign the amounts owed to a  
16 collection agency for collection.

17 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial  
18 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
19 attached hereto.

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1 DATED this 18<sup>th</sup> day of May, 2012



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS

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DEBORAH BORTNER  
Director  
Division of Consumer Services

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**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:

K2 CAPITAL MANAGEMENT INC.,  
d/b/a US MORTGAGE BAILOUT,  
IAN KIDEYS, Owner, BRIAN KANDEFER,  
Owner, and LAUREN LAYTON, Owner

Respondents.

No. C-11-0589-11-SC01

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

**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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of 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. K2 Capital Management Inc., d/b/a US Mortgage Bailout (Respondent US Mortgage Bailout)** was located at 7825 Fay Avenue, Suite 112, La Jolla, California. Respondent US Mortgage Bailout has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or loan originator in the State of Washington.



1 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to  
2 obtain a residential mortgage loan.

3 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,  
4 “Loan originator” means a natural person who for direct or indirect compensation or gain, or in the  
5 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
6 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
7 loan modification services; or holds themselves out to the public as able to perform any of these  
8 activities.

9 **2.3 Definition of Residential Mortgage Loan Modification.** Pursuant to RCW 19.146.010(20)  
10 and WAC 208-660-006, “Residential mortgage loan modification” means a change in one or more of  
11 a residential mortgage loan’s terms or conditions. Changes to a residential mortgage loan’s terms or  
12 conditions include but are not limited to forbearances; repayment plans; changes in interest rates, loan  
13 terms, or loan types; capitalization of arrearages; or principal reductions.

14 **2.4 Definition of Residential Mortgage Loan Modification Services.** Pursuant to RCW  
15 19.146.010(21) and WAC 208-660-006, “Residential mortgage loan modification services” includes  
16 negotiating, attempting to negotiate, arranging, attempting to arrange, or otherwise offering to  
17 perform a residential mortgage loan modification. “Residential mortgage loan modification services”  
18 also includes the collection of data for submission to any entity performing mortgage loan  
19 modification services.

20 **2.5 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents  
21 are in apparent violation of RCW 19.146.0201(1), (2), and (3), for directly or indirectly employing a  
22 scheme, device or artifice to defraud or mislead borrowers or lenders or any person, engaging in an  
23 unfair or deceptive practice toward any person, or obtaining property by fraud or misrepresentation.

1 **2.6 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
2 Allegations set forth in Section I above, Respondent US Mortgage Bailout is in apparent violation of  
3 RCW 19.146.200(1) and WAC 208-660-155 for engaging in the business of a mortgage broker  
4 without first obtaining and maintaining a license under the Act.

5 **2.7 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
6 Allegations set forth in Section I above, Respondent Kidey, Respondent Kandefer, and Respondent  
7 Layton are in apparent violation of RCW 19.146.200(1) and WAC 208-660-155 for engaging in the  
8 business of a loan originator without first obtaining and maintaining a license under the Act.

9 **2.8 Requirement to Maintain Accurate and Current Books and Records.** Based on the  
10 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
11 19.146.060 and WAC 208-660-450 for failing to keep all books and records in a location that is on  
12 file with and readily available to the Department until at least twenty-five months have elapsed  
13 following the effective period to which the books and records relate.

### 14 III. AUTHORITY TO IMPOSE SANCTIONS

15 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
16 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,  
17 agent, or other person subject to the Act to cease and desist from conducting business.

18 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
19 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
20 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
21 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
22 19.146.0201(1) through (9) or (13), RCW 19.146.200, or failure to comply with any directive or  
23 order of the Director.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against licensees or other persons subject to the Act for any violation of the Act.

3 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(d) and (e) and (3)(a) and (b), the  
4 Director may impose fines against a licensee or other persons subject to the Act for any violations of  
5 RCW 19.146.0201(1) through (9) or (13), RCW 19.146.200 or failure to comply with any directive or  
6 order of the Director.

7 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
8 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour  
9 for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

#### 10 **IV. NOTICE OF INTENTION TO ENTER ORDER**

11 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC,  
12 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
13 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and  
14 RCW 19.146.223. Therefore, it is the Director's intention to ORDER that:

15 **4.1** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian Kideys, Brian  
16 Kandefer, and Lauren Layton cease and desist engaging in the business of a mortgage broker or loan  
17 originator in regards to residents of the State of Washington or property located in the State of  
18 Washington;

18 **4.2** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, be prohibited from  
19 participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director,  
20 in any manner, for a period of 5 years;

19 **4.3** Respondent Ian Kideys 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 5 years;

21 **4.4** Respondent Brian Kandefer be prohibited from participation in the conduct of the affairs of  
22 any mortgage broker subject to licensure by the Director, in any manner, for a period of 5 years;

23 **4.5** Respondent Lauren Layton be prohibited from participation in the conduct of the affairs of  
24 any mortgage broker subject to licensure by the Director, in any manner, for a period of 5 years;



1 **4.6** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian Kideys, Brian  
2 Kandefer, and Lauren Layton jointly and severally pay a fine. As of the date of this Statement of  
Charges, the fine totals \$15,000;

3 **4.7** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian Kideys, Brian  
4 Kandefer, and Lauren Layton jointly and severally pay restitution to the consumers referenced in  
paragraph 1.2 of this Statement of Charges, as well as any other similarly situated Washington  
5 consumers;

6 **4.8** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian Kideys, Brian  
7 Kandefer, and Lauren Layton jointly and severally pay an investigation fee. As of the date of this  
Statement of Charges, the investigation fee totals \$988.80, calculated at \$48 per hour for 20.6 staff  
hours devoted to the investigation; and

8 **4.9** Respondents K2 Capital Management, Inc., d/b/a US Mortgage Bailout, Ian Kideys, Brian  
9 Kandefer, and Lauren Layton maintain records in compliance with the Act and provide the  
Department with the location of the books, records and other information relating to Respondent K2  
10 Capital Management Inc., d/b/a US Mortgage Bailout's mortgage broker business, and the name,  
address and telephone number of the individual responsible for maintenance of such records in  
11 compliance with the Act.

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**V. AUTHORITY AND PROCEDURE**

This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 17<sup>th</sup> day of October, 2011



DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:



SHANA L. OLIVER  
Financial Legal Examiner

Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief