

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
3 DIVISION OF BANKING AND SECURITIES
4 550 WEST SEVENTH AVENUE, SUITE 1940
5 ANCHORAGE, ALASKA 99501
6
7

8 In the Matter of:)
9)
10 Nationwide Mortgage Concepts LLC)
11)
12)
13 Respondent)
14 Case No. 2010-000860

15 **CONSENT ORDER**

16
17 **I. INTRODUCTION**

18 The Alaska Department of Commerce, Community, and Economic Development,
19 Division of Banking and Securities, ("Division") administers the Alaska Mortgage Lending
20 Regulation Act, Alaska Statutes ("AS") 06.60. Having conducted an investigation under
21 AS 06.60.250, the Division finds as follows:

22 **II. FACTUAL ALLEGATIONS**

23 **2.1. Respondent.**

24 A. Nationwide Mortgage Concepts LLC, ("Respondent") maintains a principal place of
25 business at 40380 Desert Creek Lane, Rancho Mirage, California. Prior to December 31, 2008
26 Respondent held Alaska Business License Number 309854 issued under AS 43.70.020 to do
27 business as Nationwide Mortgage Concepts LLC. This license number was first issued on
28 February 22, 2005. Respondent currently holds Nationwide Mortgage Licensing System (NMLS)

1 number 4133. Respondent is licensed to conduct business in Alaska under AS 06.60. This
2 license was first issued on October 16, 2009 and will expire unless renewed on December 31,
3 2010.

4 **2.2. Factual Background.**

5 A. Respondent was operating as a licensed mortgage broker and/or mortgage lender in
6 Alaska.

7 B. Mortgage loan originator, Thomas Hayes, worked as an employee or under exclusive
8 contract for Respondent. Thomas Hayes does not hold a mortgage loan originator in Alaska to
9 originate mortgage loans. Respondent asserts that Thomas Hayes reported that he was properly
10 licensed to do business in Alaska.

11 C. Mortgage loan originator, Thomas Hayes, NMLS number 15743, originated 30 (thirty)
12 loans from March 10, 2009 until approximately June 10, 2010.

13 **2.3. Prohibited Acts.**

14 **Counts 1 – 30 Unlicensed Activity**

15 The Division found that employee Thomas Hayes originated 30 (thirty) mortgage loan
16 transactions (truncated) from March 10, 2009 through June 10, 2010.

COUNTS 1-30

1	1-HU-783	16	16-VO-196
2	2-SP-591	17	17-HA-518
3	3-MU-707	18	18-WI-897
4	4-BR-412	19	19-CR-405
5	5-MA-025	20	20-ST-301
6	6-AL-146	21	21-ER-063
7	7-PU-786	22	22-SA-687
8	8-HA-178	23	23-SP-008
9	9-FI-337	24	24-MO-182
10	10-ST-996	25	25-CH-647
11	11-BO-472	26	26-IV-429
12	12-GO-886	27	27-AM-798

1 Counts 31 - 60 Supervision Required

2 The Division has found that the Respondent has failed to supervise mortgage loan
3 originator Thomas Hayes by allowing unlicensed activity to occur. Under 3AAC 14.415, a
4 mortgage licensee shall supervise all operations and personnel at its principal office and any
5 branch offices to insure compliance with AS 06.60 and this chapter. The mortgage licensee shall
6 diligently supervise each person operating as an originator for the mortgage licensee, whether
7 under an exclusive contract or as an employee.

8 The mortgage licensee shall:

- 9 (1) establish, maintain, and enforce procedures to supervise the activities of all personnel,
10 including persons operating as originators on behalf of the mortgage licensee;
- 11 (2) monitor and review the activities of all personnel at each business location, including persons
12 operating as originators on behalf of the mortgage licensee, to insure compliance with AS 06.60
13 and this chapter;
- 14 (3) ensure that each originator working on behalf of the mortgage licensee has the training and
15 education needed to comply with AS 06.60 and this chapter; and
- 16 (4) maintain a list of each person at each location with whom the mortgage licensee has an
17 affiliated business arrangement under 12 U.S.C. 2601 - 2617 (Real Estate Procedures Settlement
18 Act of 1974).

19 **III. LEGAL STANDARDS**

20 **3.1. Licensing for Existing Industry Participants.** Under 3 AAC 14.090, and in
21 accordance with sec. 10, ch. 50, SLA 2007, a person who was engaged in activities for which a
22 license is required under AS 06.60 on June 30, 2008, was not required to comply with the
23 licensing requirements of AS 06.60 until March 1, 2009.

1 **4.3. Voluntarily Entered.** Respondent has freely and voluntarily entered into this
2 Consent Order.

3 **4.4. Fine/Reimbursement.** Respondent agrees to pay to the Division the civil penalties
4 and reimbursements for the following violations and investigative fees:

5 The Division seeks a civil penalty for Counts 1-30 of \$33,690.28 (thirty three thousand six
6 hundred ninety dollars and twenty eight cents), Counts 31-60 a civil penalty of \$15,000.00
7 (fifteen thousand dollars). Additionally the Division seeks reimbursement of investigative fees of
8 \$1,406.25 (one thousand four hundred six dollars and twenty five cents), for a total of \$50,096.53
9 (fifty thousand ninety six dollars and fifty three cents). Payments of \$2,800.00 (two thousand
10 eight hundred dollars are due on the 15th day each month with the first payment commencing on
11 January 1, 2011, and will continue until payment in full. The payment may be in the form of a
12 certified check or money order made payable to the State of Alaska, delivered to the attention of
13 Marilyn White, Licensing Examiner, Department of Commerce, Community And Economic
14 Development, Division of Banking and Securities, 550 West Seventh Avenue, Suite 1940,
15 Anchorage, Alaska 99501.

16 **4.5. Payment Due Date.** The first payment under paragraph 4.4 is due (shall be
17 postmarked) no later than January 15, 2011 after this fully-executed Consent Order is delivered to
18 Respondent.

19 **4.6. Authority to Execute Order.** The undersigned warrants that they have full power
20 and right to execute this Consent Order on behalf of the Respondent.

21 **4.7. Representatives/Successors.** This Consent Order shall be binding on all employees,
22 agents, officers, directors, and other representatives, successors, or assigns of Respondent.

1 **4.8. Waiver of Hearing.** Respondent has been informed of its right to a hearing before
2 an administrative law judge, and has waived its right to a hearing and any administrative and
3 judicial review of the Consent Order or the issues raised in this matter. Respondent understands
4 and agrees that it is relieving the Division of the burden of proving the facts admitted in this
5 Consent Order.

6 **4.9. Non-compliance with Order.** Respondent understands that its failure to abide by
7 the terms and conditions of this Consent Order may provide grounds for the denial of licensure or
8 for further legal action by the Division, including an action to revoke or suspend licensure of
9 Respondent. If Respondent fails to perform its obligations under this Consent Order, Respondent
10 shall reimburse the Division for its costs, including attorney's fees, incurred in pursuing such legal
11 action.

12 **4.10. Agreement Read and Understood/Advice of Counsel.** Respondent has read and
13 understands this Consent Order in its entirety, having had an unrestricted opportunity to obtain the
14 advice of counsel in regard to the meaning of this Consent Order.

15 **4.11. Amendment.** This Consent Order may be modified only by written amendment
16 signed by both parties.

17 **4.12. Effective Date.** This agreement is effective when signed by the Division Director.

18 **4.13. It Is Hereby Ordered.** That the license, held by the Respondent, will be on
19 probation, and shall be subject to the following terms and conditions:

20 Respondent's license shall be on probation for 18 (eighteen months) from the effective date
21 of this Order. If Respondent fails to comply with any term or condition of this Consent Order, his
22 license may be immediately suspended or Respondent may be subject to other disciplinary action
23 pursuant to AS 06.60. In addition, any suspended portion of the civil fine will be immediately due.

1 If Respondent fully complies with all of the terms and conditions of this license probation, the
2 probationary period will end as conditioned under this Order.

3 If Respondent's license is suspended under this paragraph, it will be entitled to a hearing
4 regarding the issue of the suspension or any subsequent disciplinary action. If Respondent's
5 license is suspended, it will continue to be responsible for all license requirements pursuant to AS
6 06.60.

7 **4.14. It is Hereby Further Ordered.** That this order shall take effect immediately upon
8 its adoption by the Commissioner or her delegate and is a public record of the Department and the
9 State of Alaska. The State may provide a copy of it to any person or entity making a relevant
10 inquiry.

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DATED: 12-17-10

/s/ Steven J. Pitchersky

(By:)

Agent

(Its:)

STATE OF ALASKA
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ACKNOWLEDGMENT

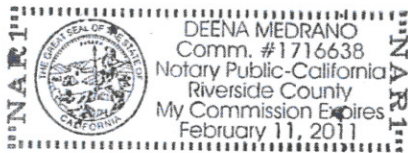
STATE OF California)

: ss.

COUNTY OF Riverside)

I HEREBY CERTIFY that on the 17 day of December, 2010, before me, the undersigned, a Notary Public in and for the State of California, personally appeared Steven J. Pitchersky, known to me to be the person whose name is subscribed to this Consent Order, who stated that he/she is an agent of Nationwide Mortgage Concepts LLC, and is authorized to sign on its behalf, and acknowledged that he executed the same voluntarily and of his own will for the uses and purposes set forth therein.

SUBSCRIBED AND SWORN TO before me this 17 day of December, 2010.



/s/ Deena Medrano
Notary Public in and for the
County of Riverside
State of California
My commission expires: February 11, 2011

Susan Bell, Commissioner
Department of Commerce, Community, and Economic
Development

DATED: December 20, 2010

By: /s/ Lorie L. Hovanec
Lorie L. Hovanec, Director
Division of Banking & Securities

LH: LH