

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES
550 WEST SEVENTH AVENUE, SUITE 1940
ANCHORAGE, ALASKA 99501

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DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES
550 WEST SEVENTH AVENUE, SUITE 1940
ANCHORAGE, ALASKA 99501

IN THE MATTER OF:

Residential Acceptance Network, Inc.,
Respondent.

CONSENT ORDER
Case No.: 500009001

I. INTRODUCTION

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

II. FACTUAL ALLEGATIONS

2.1. Respondent.

A. Residential Acceptance Network, Inc., ("Respondent") maintains a principal place of business at 268 West 400 South, Third Floor, Salt Lake City, Utah 84101.

2.2. Factual Background.

A. On June 30, 2008, Respondent was operating as a mortgage broker and/or mortgage lender in Alaska. On June 30, 2008, individuals working as employees or under exclusive contract for Respondent were operating as originators in Alaska.

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1 B. On June 30, 2008, Respondent and individual originators working as employees or under
2 exclusive contract for Respondent were operating under a current Alaska business license issued
3 under AS 43.70.

4 C. Neither Respondent nor the originators working as employees or under exclusive
5 contract for Respondent were licensed in Alaska under AS 06.60 on March 1, 2009.

6 D. On March 26, 2009, an Alaskan complainant provided the Division with a copy of an
7 advertisement from Respondent addressed to the complainant's mailing address and offering to
8 provide services for which a license is required under AS 06.60.

9 E. By letter dated April 7, 2009, the Division notified Respondent of its apparent failure to
10 comply with the licensing requirements of AS 06.60.

11 F. On April 15, 2009, the Division asked Respondent to submit a copy of mortgage loan
12 documentation for Alaska property received by Respondent on or after March 1, 2009, and
13 Respondent's advertising by mail. On April 15, 2009, in response to this request Respondent
14 provided the Division with (1) a copy of two applications for loans from Alaska residents, each
15 executed by the prospective borrower(s) on March 24, 2009; and (2) copies of sample advertising
16 materials of Respondent, similar in appearance to the advertisement received by the Alaskan
17 complainant.

18 G. As of April 15, 2009, Respondent agreed to stop conducting any activity for which a
19 license under AS 06.60 is required, including advertising and originating loans in Alaska, until
20 Respondent and the individuals working as employees or under exclusive contract for Respondent
21 as originators are licensed under AS 06.60.

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1 **4.2. Jurisdiction.** It is agreed that the Division has jurisdiction over the subject matter of
2 the activities described above.

3 **4.3. Voluntarily Entered.** Respondent has freely and voluntarily entered into this Consent
4 Order.

5 **4.4. Fine/Reimbursement.** Respondent agrees to pay to the Division a fine of \$1,125 and
6 reimbursement of investigative expenses of \$150, for a total payment of \$1,275 in the form of a
7 check made payable to the State of Alaska, delivered to the attention of Linette Lacy, Investigator,
8 Division of Banking and Securities, Department of Commerce, Community, and Economic
9 Development, 550 West Seventh Avenue, Suite 1940, Anchorage, Alaska 99501.

10 **4.5. Payment Due Date.** Payment under paragraph 4.4 is due (shall be postmarked) no
11 later than thirty days after this fully-executed Consent Order is delivered to Respondent.

12 **4.6. Authority to Execute Order.** The undersigned warrant that they have full power and
13 right to execute this Consent Order on behalf of the parties.

14 **4.7. Representatives/Successors.** This Consent Order shall be binding on all employees,
15 agents, officers, directors, and other representatives, successors, or assigns of Respondent.

16 **4.8. Waiver of Hearing.** Respondent has been informed of its right to a hearing before an
17 administrative law judge, and has waived its right to a hearing and any administrative and judicial
18 review of the Consent Order or the issues raised in this matter. Respondent understands and agrees
19 that it is relieving the Division of the burden of proving the facts admitted in this Consent Order.

20 **4.9. Non-compliance with Order.** Respondent understands that its failure to abide by the
21 terms and conditions of this Consent Order may provide grounds for the denial of licensure or for
22 further legal action by the Division, including an action to revoke or suspend licensure of
23 Respondent or its originators. If Respondent fails to perform its obligations under this Consent

1 Order, Respondent shall reimburse the Division for its costs, including attorney's fees, incurred in
2 pursuing such legal action.

3 **4.10. Agreement Read and Understood/Advice of Counsel.** Respondent has read and
4 understands this Consent Order in its entirety, having had an unrestricted opportunity to obtain the
5 advice of counsel in regard to the meaning of this Consent Order.

6 **4.11. Amendment.** This Consent Order may be modified only by written amendment
7 signed by both parties.

8 **4.12. Effective Date.** This agreement is effective when signed by the Division Director.

9 Residential Acceptance Network, Inc.

10 DATED: 05-14-09

/s/ Greg Walker
By: Greg Walker
Its: President

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ACKNOWLEDGMENT

1 STATE OF Utah)
2)
3 COUNTY OF Salt Lake)
4)

: ss.

4 I HEREBY CERTIFY that on the 14th day of May, 2009,
5 before me, the undersigned, a Notary Public in and for the State of Utah, personally
6 appeared Greg Walker, known to me to be the person whose name is subscribed to this Consent
7 Order, who stated that he is the president of Residential Acceptance Network, Inc., and is
8 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.

9 SUBSCRIBED AND SWORN TO before me this 14th day of
10 May, 2009.



11 /s/ Renee I Rogers
12 Notary Public in and for the Salt Lake
13 County of Salt Lake
14 State of Utah
15 My commission expires: 11/13/2012

16 Alaska Department of Commerce, Community, and
17 Economic Development
18 Division of Banking and Securities

17 DATED: 05-20-09

17 By: /s/ Lorie L. Hovanec
18 Lorie L. Hovanec, Director

19 Contact Person:
20 Ms. Linette Lacy, Investigator
21 Alaska Department of Commerce, Community,
22 and Economic Development
23 Division of Banking and Securities
24 550 West Seventh Avenue, Suite 1940
25 Anchorage, Alaska 99501
(907) 269-8188

CONSENT ORDER
ITMO: RESIDENTIAL ACCEPTANCE NETWORK, INC.