STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION OF BANKING AND SECURITIES

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In the matter of:	ORDER NO: 16-155-C
Freedom Mortgage Corporation NMLS #2767	ORDER TO PAY LATE FILING FEES IMPOSING CIVIL PENALTIES AND CONSENT TO ORDER
Respondent.))

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities ("Department") has conducted an examination of the business operations of Freedom Mortgage Corporation ("Respondent") and has determined that Respondent violated certain provisions of AS 06.60 *et seq.* ("the Alaska Secure and Fair Enforcement for Mortgage Licensing Act of 2010 – the Alaska SAFE Act").

Respondent agrees that the Department has jurisdiction over it and this matter pursuant to the Alaska SAFE Act.

Respondent wishes to resolve and settle this matter with the Department. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order to pay late fees and imposing civil penalties based on the Conclusions of Law and Order. Respondent waives its right to hearing under AS 44.62 *et seq*. (the Alaska Administrative Procedure Act) and the Alaska SAFE Act.

I. FINDINGS OF FACT

1. Respondent is a corporation organized under the laws of the State of New Jersey, and has a physical address of 907 Pleasant Valley Avenue, Mount Laurel, NJ, 08054.

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- 2. On May 15, 2009, the Department issued an Alaska Mortgage Broker/Lender license (no. AK 2767) to Respondent.
- 3. Mortgage licensees must submit reports of condition of the licensee to the Department in the form prescribed by the National Mortgage Licensing System and Registry ("NMLS"). The NMLS requires licensees to submit quarterly reports of condition known as Mortgage Call Reports ("MCRs"). The NMLS mandates that MCRs be filed after each calendar quarter by May 15, August 14, November 14, and February 14. Respondent has filed four late MCRs since 2009, totaling 28 days late.
- 4. On July 6, 2015, and again on September 4, 2015, the Department sent letters to Respondent's designated control person and assigned contact person reminding Respondent that it was required to file MCRs with the Department timely.

MORTGAGE CALL REPORTS (MCRs)

Year	Quarter	Date Due	Date Filed	Days Late
2015	Q1	5/15/2015	5/18/2015	3
2015	Q2	8/14/2015	9/1/2015	17
2015	Q4	11/16/2015	2/23/2015	7 ¹
2016	Q1	5/16/2016	5/17/2016	1 ²

II. CONCLUSIONS OF LAW

- 1. Respondent violated AS 06.60.100(c) by filing four quarterly MCRs late, totaling 28 days. Under 3 AAC 14.414, the Department may assess a fee of \$25 per day for reports filed late.
- 2. Respondent is subject to a civil penalty under AS 06.60.100(b) and AS 06.60.420 for violating AS 06.60.100(c) and 3 AAC 14.410.

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November 14, 2015 was a Saturday, so the report was due by Monday, November 16, 2015.

² May 15, 2016 was a Sunday, so the report was due by Monday, May 16, 2016.

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III. ORDER

Pursuant to the Alaska SAFE Act and on the basis of the Findings of Fact,

Conclusions of Law and Respondent's consent to the entry of this Order, the Department

ORDERS Respondent to:

- 1. Pay late fees of \$25 per day for each day late under AS 06.60.100 and 3 AAC 14.414. The total for the late MCRs is \$700. These late fees are suspended for a period of three years.
- 2. Pay a civil penalty under AS 06.60.420 in the amount of \$2,000. This amount was calculated at \$500 for the late 2015 Q1 MCR, \$500 for the late 2015 Q2 MCR, \$500 for the late 2015 Q4 MCR, and \$500 for the late 2016 Q1 MCR. This amount is immediately due to the Department.
- 3. Comply with all provisions of the Alaska SAFE Act, including associated regulations. If Respondent fails to comply with any term or condition of this Order, including failure to comply with any future filing or reporting deadlines, the suspended portion of the late fees will be immediately due.
- 4. Respondent is jointly and severally liable for complying with the terms of this order including payment of the civil penalty.

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5. This Order is a publicly disclosable document and is reportable to the NMLS. 1 2 IT IS SO ORDERED. 3 Chris Hladick, Commissioner Department of Commerce, Community 4 and Economic Development 5 /s/ Kevin Anselm 6 August 4, 2016 Kevin Anselm, Director Date 7 Division of Banking and Securities 8 9 10 11 12 13 **Consent to Entry of Order** I, Maria Gallucci, state that I am the Secretary 14 15 Freedom Mortgage Corporation ("Respondent"); that I am authorized to act on its behalf; that I have read the foregoing Order; and that I am aware of the right to a hearing and appeal 17 in this matter, and have waived the same. 18 Respondent admits to the jurisdiction of the Department of Commerce, Community 19 and Economic Development, Division of Banking and Securities ("Department") and further 20 consents to entry of this Order by the Department as settlement of the issues contained in this 21 Order. Respondent admits violation of the Alaska SAFE Act. 22 Respondent understands that the Department reserves the right to take further actions 23 to enforce this Order or to take appropriate action upon discovery of other violations of the

Alaska SAFE Act, and that Respondent will fully comply with the terms and conditions of

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1	this Order, the Alaska SAFE Act and associated regulations.
2	Respondent enters into this Order voluntarily and understands that this Order is a public
3	document and is reportable to the NMLS.
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5	8/1/16 /s/ Maria Gallucci
6	Date Freedom Mortgage Corporation Maria Gallucci
7	By: Maria Gallucci Title: Secretary
8	GURGORIDED AND GWORN TO L.C. 41: 1st 1 CAUGUST 2016
9	SUBSCRIBED AND SWORN TO before me this 1st day of August ,2016 at Mt. Laurel , NJ .
10	/s/ Stacy Donovan
11	Notary Public in and for New Jersey
12	Stacy Donovan
13	Notary Printed Name My commission expires: 8-20-20
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	Contact Person: Leif Haugen
	Securities Examiner
18	(907) 269-8144
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