

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES
550 WEST SEVENTH AVENUE, SUITE 1850
ANCHORAGE, ALASKA 99501
(907)269-8140

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

4 In the matter of:) ORDER NO: 26-03-C
5 First Rate Financial, LLC) ORDER IMPOSING CIVIL PENALTIES
6 NMLS #184451) AND
7 Respondent) CONSENT TO ORDER

8
9 The Department of Commerce, Community, and Economic Development, Division of
10 Banking and Securities (“Department”) has conducted an examination of the business
11 activities of First Rate Financial, LLC (“Respondent”) and has determined that Respondent
12 violated certain provisions of AS 06.60 et seq (the Alaska Secure and Fair Enforcement for
13 Mortgage Licensing Act of 2010 – the “Alaska SAFE Act”).

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

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

21 **I. FINDINGS OF FACT**

22 1. Respondent is an Alaska corporation, entity number 95447, with its principal place of
23 business located at 3150 C Street, Suite 150, Anchorage, AK 99503. On February 27, 2009, the
24 Department issued an Alaska Mortgage Broker/Lender license to Respondent. Respondent’s

1 unique identifier is AK184451.

2 2. In January 2018, the Department conducted an examination (“2018 Examination”) of
3 Respondent’s advertising practices. The Department found that Respondent maintained on-line
4 advertisements that did not display Respondent’s unique identifier. The Department also found
5 advertisements maintained by mortgage loan originators (“MLOs”) employed and sponsored by
6 Respondent that did not display Respondent’s unique identifier or the unique identifiers of the
7 MLOs. Respondent also maintained advertisements that violated the federal Regulation Z,
8 Truth In Lending Act (TILA).

9 3. On January 19, 2018, the Department issued its Report of Examination (“Report”) to
10 Respondent, which documented the Department’s findings during the 2018 Examination.
11 Respondent states that, in response to the Report, Respondent completed or made good faith
12 attempts to complete actions intended to correct advertising issues. Certain actions could not be
13 completed due to circumstances beyond Respondent’s control and not attributable to any fault
14 of Respondent.

15 4. On October 3, 2018, the Department entered a Consent Order with Respondent,
16 assessing a civil penalty for repeat violations related to advertisements, noted in the Report of
17 Examination for the 2018 Examination.

18 5. In October 2024, the Department conducted an examination (“2024 Examination”) of
19 Respondent’s mortgage origination activities, which included an advertising review for the
20 review period January 1, 2022, through June 30, 2024. The Department found that Respondent
21 maintained on-line advertisements that did not display Respondent’s unique identifier. The
22 Department also found advertisements maintained by MLOs employed and sponsored by
23 Respondent that did not display Respondent’s unique identifier or the unique identifiers of the
24 MLO. Respondent also maintained advertisements that violated the federal Truth In Lending

1 Act (TILA) by failing to display trigger terms in advertisements. The advertising violations are
2 repeat violations.

3 6. On December 4, 2024, the Department issued its Report of Examination (“Report”)
4 to Respondent, which documented the Department’s findings during the 2024 Examination.
5 Respondent states that, in response to the Report, the advertising violations have been corrected
6 and will provide advertising training to employees at time of hire and again annually.
7 Additionally, a vendor will be selected to provide services to audit advertising, and those audits
8 will be conducted frequently. Management stated they will work to lower advertising violations
9 through annual training and more frequent internal audits.

10 7. A mortgage licensee is liable for the conduct of a person acting as an MLO if the
11 mortgage licensee knows or should have known that the MLO’s conduct violates the Alaska
12 SAFE Act and the MLO is employed by the mortgage licensee to act as an MLO.

13 8. During the October 2024 examination, the Department notified Respondent that the
14 MCRs for 2022 and 2023 contained inaccurate information. Mortgage licensees must submit to
15 the NMLS, as required, Mortgage Call Reports (“MCRs”) after each calendar quarter by May
16 15, August 14, November 14, and February 14. Examiners identified inaccuracies including
17 late submission of MCRs for Q2 2022 and Q4 2023, as well as discrepancies in the AC070
18 “Loans Closed and Funded” entries. The AC070 discrepancies affected eight quarters of
19 MCRs; however, only six quarters could be corrected due to the time elapsed.

20 9. The Company acknowledged these discrepancies in its response on January 6, 2025.

21 **II. CONCLUSIONS OF LAW**

22 1. Respondent violated AS 06.60.325 and 3 AAC 14.510(2) by failing to clearly and
23 conspicuously display its unique identifier in its advertisements.

24 2. Respondent violated AS 06.60.159(b) by allowing MLOs employed by Respondent to

1 maintain advertisements that did not clearly and conspicuously display Respondent’s unique
 2 identifier or the unique identifier of its MLO.

3 3. Respondent violated 3 AAC 14.415(a) and (b) by failing to supervise, monitor, and
 4 review the activities of persons employed as MLOs.

5 4. Respondent violated AS 06.60.320 and 3 AAC 14.510(6) by publishing or displaying
 6 advertisements that were misleading in regard to the rates, terms, or conditions of the
 7 mortgage loan.

8 5. Respondent violated AS 06.60.330(5) and AS 06.60.330(8) by failing to disclose
 9 additional disclosure requirements when using “triggering terms” which are prohibited by the
 10 federal Regulation Z (12 C.F.R. Part 1026.24), the Truth in Lending Act (“TILA”)(Title 1 of
 11 the Consumer Credit Protection Act).

12 6. Respondent violated AS 06.60.100 by filing late and inaccurate MCR data over eight
 13 quarters in 2022 and 2023.

MORTGAGE CALL REPORTS (MCRs)				
Year	Quarter	Date Due	Date Filed	Inaccurate MCR
2022	1	N/A	N/A	Y
2022	2	8/14/2022	8/15/2022 Late	Y
2022	3	N/A	N/A	Y
2022	4	N/A	N/A	Y
2023	1	N/A	N/A	Y
2023	2	N/A	N/A	Y
2023	3	N/A	N/A	Y
2023	4	2/14/2024	2/15/2025 Late	Y

14
 15
 16
 17
 18
 19
 20 7. Under AS 06.60.420(a), a person who violates a provision of this chapter, or a
 21 regulation adopted or an order issued under this chapter, is liable for a civil penalty not to
 22 exceed \$10,000 for each violation.
 23
 24

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

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 a civil penalty in the amount of \$19,000.00. This amount was calculated at \$250 for each of the eight quarters with late or inaccurate filings ($\$250 \times 8 = \$2,000$), \$250 for each of the six violations of TILA Regulation Z ($\$250 \times 6 = \$1,500$), \$1,000 for each of the eleven state advertising violations ($\$1,000 \times 11 = \$11,000$), and \$1,500 for each of the three MLOs the Respondent failed to supervise (\$4,500). This amount is immediately due to the Department.

2. Comply with all provisions of the Alaska SAFE Act and associated regulations. This Order shall be publicly disclosed and is reportable to the NMLS.

IT IS SO ORDERED.

Julie Sande, Commissioner
Department of Commerce, Community
and Economic Development

05/18/2026

Date

/s/ Tracy Reno

Tracy Reno, Director

1 **Consent to Entry of Order**

2 **First Rate Financial, LLC**

3 I, Jason Wooten, state that I am the President of
4 First Rate Financial, LLC (“Respondent”); that I am authorized to act on its behalf; that I
5 have read the foregoing Order; and that I am aware of the right to a hearing and appeal in this
6 matter, and have waived the same.

7 Respondent admits to the jurisdiction of the Department of Commerce, Community,
8 and Economic Development, Division of Banking and Securities (“Department”) and further
9 consents to entry of this Order by the Department as settlement of the issues contained in this
10 Order. Respondent admits violation of the Alaska SAFE Act.

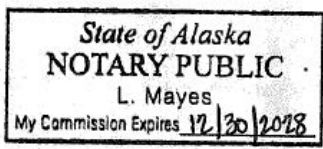
11 Respondent understands that the Department reserves the right to take further actions
12 to enforce this Order or to take appropriate action upon discovery of other violations of the
13 Alaska SAFE Act, and that Respondent will fully comply with the terms and conditions of
14 this Order, the Alaska SAFE Act and associated regulations.

15 Respondent enters into this Order voluntarily and understands that this Order is a
16 public document and is reportable to the NMLS.

17 05/13/2026 /s/ Jason Wooten
Date First Rate Financial, LLC
18
By: Jason Wooten
19 Title: President

20 SUBSCRIBED AND SWORN TO before me this 13th day of May, 2026 at
Anchorage, Alaska.

21 /s/ Lindsay Mayes
22 Notary Public in and for State of Alaska
Lindsay Mayes
23 Notary Printed Name
24 My commission expires: 12/30/2028



STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES
550 WEST SEVENTH AVENUE, SUITE 1850
ANCHORAGE, ALASKA 99501
(907)269-8140