

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

In the matter of:)
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)
Alaska USA Mortgage Company, LLC) ORDER NO: 21-35-C
NMLS #AK157293) ORDER 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 activities of Alaska USA Mortgage Company, LLC (“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 Respondent 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 imposing civil penalties based on the Conclusions of Law and Order. Respondent waives its right to a hearing under AS 44.62 et seq. (the Alaska Administrative Procedure Act) and the Alaska SAFE Act.

I. FINDINGS OF FACT

1. Respondent is an Alaska limited liability company, entity number 76588D, with its principal place of business located at 4000 Credit Union Drive, Anchorage, AK 99503. On

1 April 3, 2009, the Department issued an Alaska Mortgage Broker/Lender license to
2 Respondent. Respondent's unique identifier is AK157293.

3 2. In June 2012, the Department conducted an examination (the "First Examination") of
4 Respondent's mortgage origination activities, which included an advertising review. The
5 Department found that Respondent maintained multiple on-line and print advertisements that
6 did not display the Respondent's unique identifier. The Department also found that several
7 Mortgage Loan Originators ("MLO") employed and sponsored by Respondent maintained
8 multiple advertisements that did not display Respondent's unique identifier or the unique
9 identifiers of its MLOs.

10 3. On August 9, 2012, the Department issued its Report of Examination ("Report") to
11 Respondent, which documented the Department's findings during the First Examination.
12 Respondent informed the Department that, in response to the Report, Respondent would
13 review, at least monthly, Respondent's advertisements and the advertisements of its MLOs to
14 ensure those advertisements displayed Respondent's and its MLOs' unique identifiers.

15 4. In October 2019, the Department conducted an examination (the "Second Examination")
16 of Respondent's mortgage origination activities, which included an advertising review. The
17 Department found that Respondent maintained seventeen on-line advertisements that did not
18 display Respondent's unique identifier. The Department also found that eight advertisements
19 maintained by MLOs employed and sponsored by Respondent did not display Respondent's
20 unique identifier. Of those eight advertisements, one advertisement also did not display the
21 unique identifier of an MLO employed and sponsored by Respondent.

22 5. A mortgage licensee is liable for the conduct of a person acting as an MLO if the
23 mortgage licensee knows or should have known that the MLO's conduct violates the Alaska
24 SAFE Act and the MLO is employed by the mortgage licensee to act as an MLO.

1 6. A person operating as an MLO must clearly and conspicuously display the unique
2 identifier assigned to the person, as well as the unique identifier assigned to the mortgage
3 licensee that employs the MLO, on all advertisements, including websites.

4 **II. CONCLUSIONS OF LAW**

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

7 2. Respondent violated AS 06.60.159(b) by allowing MLOs employed by Respondent
8 to maintain advertisements that did not clearly and conspicuously display Respondent's
9 unique identifier or the unique identifier of its MLO.

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

12 4. Respondent is subject to a civil penalty under AS 06.60.420 for violating AS
13 06.60.325, AS 06.60.159(b), 3 AAC 14.415(a) and (b) and 3 AAC 14.510(2).

14 5. Under AS 06.60.420(a), a person who violates a provision of this chapter, or a
15 regulation adopted or an order issued under this chapter, is liable for a civil penalty not to
16 exceed \$10,000 for each violation.

17 **III. ORDER**

18 Pursuant to the Alaska SAFE Act and on the basis of the Findings of Fact,
19 Conclusions of Law, and Respondents' consent to the entry of this Order, the Department
20 ORDERS Respondent to:

21 1. Pay a civil penalty in the amount of \$13,000. This amount was calculated at \$500 for
22 each of the seventeen advertisements maintained by Respondent that did not display
23 Respondent's unique identifier, \$500 for each of the eight advertisements maintained by
24 MLOs employed and sponsored by Respondent that failed to display Respondent's unique

1 identifier, and \$500 for the advertisement that did not display the unique identifier of an
2 MLO employed and sponsored by Respondent, all found by the Department during the
3 Second Examination. This amount is immediately due to the Department.

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

6 **IT IS SO ORDERED.**

7
8 Julie Anderson, Commissioner
9 Department of Commerce, Community
10 and Economic Development

10 August 31, 2021
11 Date

10 /s/ F. James McConnell
11 F. James McConnell, Director
12 Division of Banking and Securities

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1 **Consent to Entry of Order**

2 **Alaska USA Mortgage Company, LLC**

3 I, Steven Larson, state that I am the President of
4 Alaska USA Mortgage Company, LLC (“Respondent”); that I am authorized to act on its
5 behalf; that I have read the foregoing Order; and that I am aware of the right to a hearing and
6 appeal in this 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.

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

8/19/21 /s/ Steven Larson
Date Alaska USA Mortgage Company, LLC

By: Steven Larson
Title: President

SUBSCRIBED AND SWORN TO before me this 19 day of August, 2021 at Anchorage, Alaska.

/s/ Diana M. Hanlin
Notary Public in and for Alaska

Diana M. Hanlin
Notary Printed Name
My commission expires: March 13, 2022

Contact Person:
Tracy Reno
Chief of Examinations
(907) 269-8112