The Department of Commerce, Community, and Economic Development, Division of Banking and Securities ("Department") has conducted an examination of the business operations of North American Financial Corp. ("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 Wyoming, and has a physical address of 1700 W. Horizon Ridge Pkwy, Suite 200, Henderson, NV
2. On July 13, 2011, the Department issued an Alaska Mortgage Broker/Lender license (no. AK 180736) to Respondent.

3. Mortgage licensees must file annual reports with the Department by March 15 of the year following an annual period of licensure.

4. On February 25, 2015, the Department sent an email to Raymond Gregory Ernst, as a designated control person and assigned contact person, with a reminder that Respondent was required to file its annual report for 2014 with the Department by March 16, 2015. Respondent did not file its 2014 annual report until January 21, 2016. Respondent failed to file its annual report for 2011 and was late in filing its annual report for 2013.

5. Mortgage licensees must file annual reports with the Department by March 15, and the Department is authorized to assess a late fee of $25 per day for annual reports that are not filed on time. Respondent has failed to file its last four annual reports on time.

<table>
<thead>
<tr>
<th>Year</th>
<th>Date Due</th>
<th>Date Filed</th>
<th>Days Late</th>
</tr>
</thead>
<tbody>
<tr>
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<td>365</td>
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<tr>
<td>2012</td>
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<td>8/21/2013</td>
<td>159¹</td>
</tr>
<tr>
<td>2013</td>
<td>03/17/2014²</td>
<td>3/20/2014</td>
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</tr>
<tr>
<td>2014</td>
<td>03/16/2015³</td>
<td>1/21/2016</td>
<td>311</td>
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</tbody>
</table>

6. 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 seven late reports.

¹ Respondent was invoiced $3,975 for the 2012 Annual Report, which was paid in full.
² March 15, 2014 was on a Saturday, so the report was due by Monday, March 17, 2014.
³ March 15, 2015 was on a Sunday, so the report was due by Monday, March 16, 2015.
MCRs since 2011, totaling 17 days late.

MORTGAGE CALL REPORTS (MCRs)

<table>
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<tr>
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<th>Days Late</th>
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<td>5/15/2011</td>
<td>5/16/2011</td>
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<tr>
<td>2011</td>
<td>Q2</td>
<td>8/14/2011</td>
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<td>2</td>
</tr>
<tr>
<td>2011</td>
<td>Q3</td>
<td>11/14/2011</td>
<td>11/16/2011</td>
<td>2</td>
</tr>
<tr>
<td>2011</td>
<td>Q4</td>
<td>2/14/2012</td>
<td>2/17/2012</td>
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<td>8/15/2014</td>
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</tr>
</tbody>
</table>

II. CONCLUSIONS OF LAW

1. Respondent violated AS 06.60.100(a) and 3 AAC 14.410 by filing three annual reports late and never filing one of its reports. Under 3 AAC 14.414, the Department may assess a fee of $25 per day for reports filed late.

2. Respondent violated AS 06.60.100(c) by filing seven quarterly MCRs late, totaling 17 days. Under 3 AAC 14.414, the Department may assess a fee of $25 per day for reports filed late.

3. Respondent is subject to a civil penalty under AS 06.60.100(b) and AS 06.60.420 for violating AS 06.60.100(a) and (c) and 3 AAC 14.410.

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.

4 Respondent was invoiced $50 for the 2011 Quarter 4 MCR, which was paid in full.
5 Respondent was invoiced $175 for the 2012 Quarter 4 MCR, which was paid in full.
The total for the late annual reports is $16,975. The total for the late MCRs is $175. The combined total of all late fees is $17,150. 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 $1,500. This amount was calculated at $500 for the late 2013 annual report, $500 for the late 2014 annual report, and $500 for the never-filed 2011 annual report. 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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6 Not including the late 2011 Q4 MCR or the 2012 Q4 MCR, which were paid in full.
7 Not including the late 2012 annual report, which was paid in full.
5. This Order is a publicly disclosable document and is reportable to the NMLS.

IT IS SO ORDERED.

___________________ _____________________________

Date Kevin Anselm, Director

Consent to Entry of Order

I, __, state that I am the ___ of North American Financial Corp. ("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 in this matter, and have waived the same.

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

Respondent understands that the Department reserves the right to take further actions 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 this Order, the Alaska SAFE Act and associated regulations.
Respondent enters into this Order voluntarily and understands that this Order is a public
document and is reportable to the NMLS.

3/24/16

Date

/s/ R. Gregory Ernst

North American Financial Corp.

By: R. Gregory Ernst

Title: President/CEO

SUBSCRIBED AND SWORN TO before me this 24th day of March, 2016 at
375 North Stefanie St., Henderson, NV 89104

Victoria Greer

Notary Public in and for Nevada

Victoria Greer

Notary Printed Name
My commission expires: 3/25/2019

Contact Person:
Leif Haugen
Securities Examiner
(907) 269-8144