

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

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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24	CONSENT ORDER PAGE 2 OF 7		
25	<i>ITMO: RESIDENTIAL ACCEPTANCE NETWORK, INC.</i> CASE NO.: 500009001		
I.			

## 2.3. Prohibited Acts.

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A. From March 1, 2009, to April 15, 2009, Respondent operated as a mortgage broker
and/or mortgage lender in Alaska without being licensed under AS 06.60 as a mortgage licensee.

B. From March 1, 2009, to April 15, 2009, individuals working as employees or under exclusive contract for Respondent were operating as originators in Alaska without being licensed under AS 06.60.

## III. LEGAL STANDARDS

**3.1. Enactment of Licensing Requirements.** The Alaska Mortgage Lending Regulation Act, AS 06.60, which requires the licensing of mortgage lenders, brokers, and originators, became effective July 1, 2008.

**3.2.** License Requirement for Mortgage Broker or Mortgage Lender. Under AS 06.60.010(a), a person, including a person doing business from outside the state, may not operate as a mortgage lender or mortgage broker in this state unless the person is licensed under AS 06.60.

**3.3. License Requirement for Originator.** Under AS 06.60.010(b), a person may not
operate as an originator in the state unless the person is a natural person who is licensed as an
originator under AS 06.60 and who works under exclusive contract for, or an employee of, a
mortgage licensee.

3.4. Definition of Mortgage Licensee. Under AS 06.60.990(18), "mortgage licensee"
means a mortgage lender licensee or a mortgage broker licensee.

3.5. Licensing for Existing Industry Participants. Under sec. 10, ch. 50, SLA 2007, and
3 AAC 14.090, a person who was engaging on June 30, 2008, in activities for which a license is

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required under AS 06.60 was not required to comply with the licensing requirements of AS 06.60
 until March 1, 2009.

**3.6.** Business License as Indicator of Industry Participation on June 30, 2008. Under sec. 10, ch. 50, SLA 2007 and 3 AAC 14.090, the Division considers a person to be engaging in activities for which a license was required under AS 06.60 on June 30, 2008, if the person was operating as a mortgage broker, mortgage lender, or originator on June 30, 2008 under a current business license issued under AS 43.70 for that purpose.

**3.7. Application to Internet Activities.** Under AS 06.60.890, AS 06.60 applies to a person if the person is engaging in the activities regulated by AS 06.60 by using an Internet website from within or outside the state.

**3.8.** Business from Outside this State. Under 3 AAC 14.030, a person doing business from outside this state under AS 06.60.010(a) includes a person doing business via the Internet, through the mail or a private delivery service, by telephone, or by other means of interstate communication.

3.9. Operating in this State. Under 3 AAC 14.035, a person operates as a mortgage
broker, mortgage lender, small mortgage lender, originator, or small mortgage originator in this
state if the person communicates with a resident of this state or a person present in this state,
whether in person, in writing, via the Internet, through the mail or a private delivery service, by
telephone, or by other means of intrastate or interstate communication.

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## IV. AGREEMENT AND ORDER

4.1. Parties' Intent. The parties intend this agreement to be a full and final settlement of
the violations described above.

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

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

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

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

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

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

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

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

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1 Order, Respondent shall reimburse the Division for its costs, including attorney's fees, incurred in 2 pursing such legal action. 4.10. Agreement Read and Understood/Advice of Counsel. Respondent has read and 3 understands this Consent Order in its entirety, having had an unrestricted opportunity to obtain the 4 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. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION OF BANKING and SECURITIES 550 WEST SEVENTH AVENUE, SUITE 1940 ANCHORAGE, ALASKA 99501 9 Residential Acceptance Network, Inc. 10 05-14-09 /s/ Greg Walker DATED: By: Greg Walker 11 Its: President 12 111 13 111 14 111 15 16 17 18 19 20 21 22 23 24 CONSENT ORDER PAGE 6 OF 7 ITMO: RESIDENTIAL ACCEPTANCE NETWORK, INC. CASE NO.: 500009001 25

	1	ACKNOWLEDGMENT
	2	STATE OF Utah
	3	COUNTY OF Salt Lake
	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 authorized to sign on its behalf, and acknowledged that he executed the same voluntarily and of his
	8	own will for the uses and purposes set forth therein.
MENT	9	SUBSCRIBED AND SWORN TO before me this14th day of
CONOMIC DEVELOPMENT JATTIES 1TE 1940	10	May, 2009.
MIC DE	11	/s/ Renee I Rogers Notary Public in and for the County of Salt Lake
URITIES 01 01	12	County of _ Salt Lake COMMISSION EDWIND NOVEMBER 13, 2019 State of _ Utah
SKA AND I ASECI NUE, SL	13	STATE OF UTAH My commission expires: 11/13/2012
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STATE COM DF BAN SEVEN1 HORAG	15	Alaska Department of Commerce, Community, and Economic Development
DEPARTMENT OF COMMERCI DIVISION 0 550 WEST ANCI	16	Division of Banking and Securities
OF CON	17	DATED: 05-20-09 By: /s/ Lorie L. Hovanec
IMENT	18	Lorie L. Hovanec, Director
DEPAR	19	Contact Person:
	20	Ms. Linette Lacy, Investigator Alaska Department of Commerce, Community,
	21	and Economic Development Division of Banking and Securities
	22	550 West Seventh Avenue, Suite 1940 Anchorage, Alaska 99501
	23	(907) 269-8188
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