

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

In the matter of:)
North American Financial Corp.) ORDER NO: 17-180-C
NMLS #180736) ORDER TO SURRENDER AND CONSENT TO
Respondent.) ORDER
_____)

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 the 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 to surrender 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. FACTS

1. Respondent is a corporation (filing no. 2009-000570683) organized under the laws of the State of Wyoming, and has a physical address of 375 N. Stephanie St, Building

1 20, Henderson, Nevada, 89014.

2 2. On July 13, 2011, the Department issued an Alaska Mortgage Broker/Lender license
3 (no. AK180736) to Respondent.

4 3. On March 24, 2016, Respondent entered into Consent Order 15-520-C (“Consent
5 Order”) with the Department (Exhibit 1). The Consent Order imposed a \$17,150 late fee
6 under AS 06.60.100 and 3 AAC 14.414 for filing late annual reports and late mortgage call
7 reports. Pursuant to the Consent Order, the late fee was suspended for a period of three
8 years, provided that Respondent complied with all provisions of the Alaska SAFE Act,
9 including associated regulations. Additionally, if Respondent failed to comply with any term
10 or condition of the Consent Order, including failure to comply with any future filing or
11 reporting deadlines, the suspended portion of the late fees would be immediately due.

12 4. Mortgage licensees must submit reports of condition of the licensee to the
13 Department in the form prescribed by the Nationwide Multistate Licensing System and
14 Registry (“NMLS”). The NMLS requires licensees to submit quarterly reports of condition
15 known as Mortgage Call Reports (“MCRs”). The NMLS mandates that MCRs be filed after
16 each calendar quarter by May 15, August 14, November 14, and February 14.

17 5. Respondent did not file its fourth quarter 2016 MCR until February 17, 2017, three
18 days late.

19 6. Mortgage licensees must file annual reports with the Department by March 15.

20 7. Respondent did not file its 2016 annual report until March 17, 2017, two days late.

21 II. CONCLUSIONS OF LAW

22 1. Respondent violated AS 06.60.100, 3 AAC 14.414, and the Consent Order by filing
23 one late MCR in 2017 and one late Annual Report in 2017.

24 2. The suspended late fee in Consent Order 15-520-C is now due pursuant to the terms

1 of that order.

2 **III. ORDER**

3 Pursuant to the Alaska SAFE Act and on the basis of the Findings of Fact,
4 Conclusions of Law, the Consent Order, and Respondent's consent to the entry of this Order,
5 the Department ORDERS Respondent to:

6 1. Surrender its Alaska Mortgage Broker/Lender license pursuant to AS 06.60.200 in
7 lieu of paying the suspended late fee of \$17,150.

8 2. Not reapply for an Alaska Mortgage Broker/Lender license for three years from
9 the date of the execution of this Order.

10 3. Comply with all provision of the Alaska SAFE Act, including associated regulations.

11 This Order is a publicly disclosable document and is reportable to the NMLS.

12 **IT IS SO ORDERED.**

13 Chris Hladick, Commissioner
14 Department of Commerce, Community
and Economic Development

15
16 August 23, 2017
Date

/s/ Kevin Anselm
Kevin Anselm, Director
Division of Banking and Securities

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20 **Consent to Entry of Order
North American Financial Corp.**

21 I, R. Gregory Ernst , state that I am the President/CEO of
22 North American Financial Corp. ("Respondent"); that I am authorized to act on its behalf;
23 that I have read the foregoing Order; and that I am aware of the right to a hearing and appeal
24 in this matter, and have waived the same.

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

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

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

11 July 26, 2017
12 Date

/s/ R. Gregory Ernst
North American Financial Corp.

13 By: R. Gregory Ernst
14 Title: President/CEO

15 SUBSCRIBED AND SWORN TO before me this 26th day of July, 2017 at
Clark, Nevada.

16 /s/ Victoria Greer
Notary Public in and for Nevada, Clark County

17 Victoria Greer
18 Notary Printed Name
19 My commission expires: 3/25/2019

20 Contact Person:
21 Kaitlin Morris
Financial Examiner II
(907) 269-8140

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