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

In the matter of:  
Quicken Loans Inc.  
NMLS #AK3030  
Respondent.  

ORDER NO: 17-324-C  
ORDER IMPOSING CIVIL PENALTIES AND CONSENT TO ORDER  

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities ("Department") has conducted an examination of the business activities of Quicken Loans Inc. ("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 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. FACTS

1. Respondent is a corporation organized under the laws of the State of Michigan, with its principal place of business located at 1050 Woodward Avenue, Detroit, Michigan 48226. On
March 16, 2009, the Department issued an Alaska Mortgage Broker/Lender license to Respondent. Respondent’s unique identifier is AK3030.

2. On July 24, 2018, the Department participated in a Multi-State Mortgage Committee Examination (the “Examination”) of the Respondent, during which the Department conducted a review of the registered branch locations of Respondent’s mortgage loan originators (MLO).

The Examination focused on Respondent’s business activity between from April 1, 2016 and March 31, 2017. As of June 30, 2018, Respondent had 474 MLOs licensed in Alaska.

3. A mortgage licensee shall ensure that, if an MLO uses his or her home or other location to conduct the majority of the MLO’s activities, the MLO’s home or other location is registered as a branch office for the mortgage licensee.

4. During the Examination, the Department found that, between April 1, 2016 and March 31, 2017, 22 MLOs licensed in Alaska were conducting the majority of their origination activity from their homes, which were not registered as branch offices. Respondent informed the Department that, while Respondent generally requires its MLOs to work in an office, Respondent allowed the 22 MLOs to work remotely. Respondent stated that it has decided to not allow remote MLOs to originate home loans in Alaska and has surrendered those MLOs’ licenses in NMLS.

5. Respondent represents that the 22 licensed MLOs were supervised and monitored. There was no evidence that a consumer complained or was harmed by a MLO performing origination activities while working remotely and Respondent voluntarily surrendered the MLO licenses.

II. CONCLUSIONS OF LAW

1. Respondent violated AS 06.60.340, 3 AAC 14.425(k) and 3 AAC 14.515(9) by allowing MLOs to conduct the majority of activities for which a license is required at locations that were not the main office and not registered as branch offices.
2. Respondent violated 3 AAC 14.415(c) by failing to register the MLOs’ homes as branch offices for the mortgage licensee.

3. Respondent is subject to a civil penalty under AS 06.60.420 for violating AS 06.60.340, 3 AAC 14.415(c), 3 AAC 14.425(k) and 3 AAC 14.515(9).¹

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 $11,000.00. This amount was calculated at $500 for each of the 22 unregistered branch offices found during the examination of the Respondent.

2. Comply with all provisions of the Alaska SAFE Act, including associated regulations.

This Order shall be publicly disclosed and is reportable to the NMLS.

IT IS SO ORDERED.

November 19, 2018

/s/ Patrice Walsh
Date

Patrice Walsh, Acting Director
Division of Banking and Securities

¹ 3 AAC 14.415, 3 AAC 14.425 and 3 AAC 15.515 were amended effective January 1, 2017.
Consent to Entry of Order
Quicken Loans Inc.

I, ______________________, state that I am the ______________________________ of Quicken Loans Inc. ("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.

Date: 11/9/2018

/s/ Angelo V. Vitale
Quicken Loans Inc.

By: Angelo V. Vitale
Title: E.V.P. & General Counsel

SUBSCRIBED AND SWORN TO before me this 9th day of November, 2018 at Detroit, Michigan.

Notary Public in and for Oakland County

/s/ Ashley Milgram
Notary Printed Name Ashley Milgram
My commission expires: July 26, 2024

Contact Person:
Tracy Reno
Acting Chief of Examinations
(907) 269-8812