In the matter of: Northwest Trustee and Management Services, LLC

ORDER NO: 18-235-B

ORDER TO PAY LATE FILING FEES AND CONSENT TO ORDER

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

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities ("Department") has conducted an investigation of the business activities of Northwest Trustee and Management Services, LLC ("Respondent") and has determined that Respondent violated certain provisions of AS 06.26 et seq. (the "Revised Alaska Trust Company Act").

Respondent agrees that the Department has jurisdiction over it and this matter pursuant to the Revised Alaska Trust Company 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 06.01.030.

I. FINDINGS OF FACT

1. Respondent is a limited liability corporation organized under the laws of the State of Washington, and has a physical address of 7307 N Division Street, Suite 303, Spokane, WA 99208.
2. On February 9, 2018, the Department issued a Certificate of Authority ("Certificate") to Respondent to establish an Interstate Trust Office.

3. Trust Companies must submit quarterly Reports of Condition ("Reports") within 30 calendar days of the period covered by the Report on January 30, April 30, July 30, and October 30.

4. In a letter dated February 9, 2018, the Department notified the Respondent that quarterly reports were due within 30 days after the end of each quarter.

5. In a letter dated June 1, 2018, the Department notified the Respondent that Respondent had failed to file its first quarter report by April 30, 2018. The Department also informed Respondent that failure to meet future deadlines may result in enforcement action.

6. Respondent has filed two late Reports in 2018, totaling 44 days late.

<table>
<thead>
<tr>
<th>Year</th>
<th>Quarter</th>
<th>Date Due</th>
<th>Date Filed</th>
<th>Days Late</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Q1</td>
<td>4/30/18</td>
<td>6/4/18</td>
<td>35</td>
</tr>
<tr>
<td>2018</td>
<td>Q2</td>
<td>7/30/18</td>
<td>8/8/18</td>
<td>9</td>
</tr>
</tbody>
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7. Respondent has cooperated with the Department in the Department’s investigation of this matter.

8. Respondent has informed the Department that the Respondent has enacted policies and procedures to ensure compliance with the Department’s reporting requirements.

II. CONCLUSIONS OF LAW

1. Respondent violated AS 06.26.930, 3 AAC 04.610 and 3 AAC 04.920 by filing two Reports late.

2. Respondent is subject to a civil penalty under AS 06.01.035(h) for violating
AS 06.26.930, 3 AAC 04.610 and 3 AAC 04.920.

III. ORDER

Pursuant to the Revised Alaska Trust Company 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 under AS 06.01.035(h) of $4,400. This amount was calculated at $100 per day for each day the reports were late. The civil penalty of $3,500 for the Q1 2018 report is suspended for a period of three years. If Respondent commits any violation of the Revised Alaska Trust Company Act during this time, the suspended part of the civil penalty will be immediately due to the Department. The civil penalty of $900 for the Q2 2018 report is immediately due to the Department.

2. This Order is a publicly disclosable document.

IT IS SO ORDERED.

Mike Navarre, Commissioner
Department of Commerce, Community and Economic Development

11/19/2018
Date

/s/ Patrice Walsh
Patrice Walsh, Acting Director
Division of Banking and Securities
Consent to Entry of Order

I, Stephen Trefts, state that I am the President for Northwest Trustee and Management Services, LLC ("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 Revised Alaska Trust Company 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 Revised Alaska Trust Company Act, and that Respondent will fully comply with the terms and conditions of this Order, the Revised Alaska Trust Company Act and associated regulations.
Respondent enters into this Order voluntarily and understands that this Order is a public document.

October 29, 2018

/s/ Stephen Trefts
Northwest Trustee and Management Services, LLC

By: Stephen Trefts
Title: President

SUBSCRIBED AND SWORN TO before me this 29th day of October, 2018 at Spokane, WA.

/s/ Teri Williams
Notary Public in and for Washington

Teri Williams
Notary Printed Name
My commission expires: 3/9/2021

Contact Person:
Ryan Dukowitz
Financial Examiner I
(907) 269-5002