



1 the State of Alaska, and has a physical address of 1401 Turner Street, Fairbanks, AK 99701.

2 2. On September 2, 2010, the Department issued an Alaska Mortgage Broker/Lender  
3 license (no. AK308380) to Insurance Agency.

4 3. Kelly is listed as a control person of Insurance Agency. The Department issued  
5 mortgage loan originator license number 320947 to Kelly in 2010.

6 4. On October 5, 2015, Respondents entered into Consent Order 15-521-C with the  
7 Department (Exhibit 1) which imposed a \$9,525 late fee under AS 06.60.100 and 3 AAC  
8 14.414 for filing late annual reports and late mortgage call reports. Pursuant to the Order, the  
9 late fee was suspended for a period of three years, provided that Respondents comply with all  
10 provisions of the Alaska SAFE Act, including associated regulations. Additionally, if  
11 Respondents failed to comply with any term or condition of the Order, including failure to  
12 comply with any future filing or reporting deadlines, the suspended portion of the late fees  
13 would be immediately due.

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

19 6. In 2015, November 14 fell on a Saturday, therefore the report was not due until  
20 November 16, 2015. Insurance Agency did not file its third quarter MCR until November  
21 30, 14 days after it was due. Insurance Agency only filed the report after the Department  
22 notified it that the report was late.

## 23 II. CONCLUSIONS OF LAW

24 1. Respondent violated AS 06.60.100(c) and Consent Order 15-521-C by filing its third

1 quarter MCR 14 days late.

2 2. The suspended late fee in Consent Order 15-521-C is now due pursuant to the terms  
3 of that Order.

4 **III. ORDER**

5 Pursuant to the Alaska SAFE Act and on the basis of the Findings of Fact,  
6 Conclusions of Law, Consent Order 15-521-C, and Respondents' consent to the entry of this  
7 Order, the Department ORDERS Respondents to:

8 1. Pay the suspended late fee of \$9,525 under the following conditions:

9 a. Respondents shall make equal payments of \$793.75 to the State of Alaska,  
10 Division of Banking and Securities, by the first of each month beginning January 1, 2016 and  
11 concluding on December 1, 2016.

12 b. The Department may execute judgment for failure to comply with the payment  
13 schedule.

14 c. Respondents are jointly and severally liable for payment of the fee.

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

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

17 **IT IS SO ORDERED.**

18 Chris Hladick, Commissioner  
19 Department of Commerce, Community  
20 and Economic Development

21 December 11, 2015  
22 Date

21 /s/ Kevin Anselm  
22 Kevin Anselm, Director  
23 Division of Banking and Securities  
24

**Consent to Entry of Order  
Jim Kelly Insurance Agency**

I, James LH Kelly, state that I am the President/Owner of Jim Kelly Insurance Agency (“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.

12/3/15

Date

/s/ James LH Kelly

Jim Kelly Insurance Agency

By: James LH Kelly

Title: Self/Owner

SUBSCRIBED AND SWORN TO before me this 3 day of December, 2015 at Kirkland, Washington

/s/ Lianna Louie

Notary Public in and for ~~Alaska~~ Washington

Lianna Louie

Notary Printed Name

My commission expires: 7/2/16

**Consent to Entry of Order  
James L.H. Kelly**

I, James L.H. Kelly, hereby acknowledge 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.

I admit the jurisdiction of the Department of Commerce, Community and Economic Development, Division of Banking and Securities (“Department”) and further consent to entry of this Order by the Department as settlement of the issues contained in this Order. I admit violation of the Alaska SAFE Act.

I understand 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 I will fully comply with the terms and conditions of this Order, the Alaska SAFE Act and associated regulations.

I enter into this Order voluntarily and understand that this Order is a public document and is reportable to the NMLS.

12/3/15 /s/ James LH Kelly  
Date James L.H. Kelly

SUBSCRIBED AND SWORN TO before me this 3 day of December, 2015 at Kirkland, Washington.

/s/ Lianna Louie  
Notary Public in and for Alaska

Lianna Louie  
Notary Printed Name  
My commission expires: 7/2/16

Contact Person:  
Kaitlin Morris  
Financial Institution Examiner  
(907) 269-4558



1 the State of Alaska, and has a physical address of 1401 Turner Street, Fairbanks, AK 99701.

2 2. On September 2, 2010, the Department issued an Alaska Mortgage Broker/Lender  
3 license (no. AK308380) to Insurance Agency.

4 3. Kelly is listed as a control person of Insurance Agency. The Department issued  
5 mortgage loan originator license number 320947 to Kelly in 2010.

6 4. Mortgage licensees must file annual reports with the Department by March 15 of the  
7 year following an annual period of licensure. Kelly is the individual responsible for filing the  
8 reports with the Department.

9 5. On February 25, 2015, the Department sent an email to Kelly, as the only designated  
10 control person and assigned contact person, with a reminder that Insurance Agency was  
11 required to file its annual report for 2014 with the Department by March 16, 2015. Kelly  
12 filed his 2014 annual report on September 11, 2015, 175 days late. Previously, Insurance  
13 Agency filed the annual report late for 2010, 2011, and 2013.

14 6. Mortgage licensees must file annual reports with the Department by March 15, and  
15 the Department is authorized to assess a late fee of \$25 per day for annual reports that are not  
16 filed on time. Insurance Agency has filed four late annual reports since 2010, totaling 205  
17 days late.

18 ANNUAL REPORTS

19

Year	Date Due	Date Filed	Days Late
2010	03/15/2011	03/17/2011	2
2011	03/15/2012	04/04/2012	19
2013	03/17/2014 <sup>1</sup>	03/26/2014	9
2014	03/16/2015 <sup>2</sup>	09/11/2015	175

22

23 <sup>1</sup> March 15, 2014 was on a Saturday, so the report was due by Monday, March 17, 2014.

24 <sup>2</sup> March 15, 2015 was on a Sunday, so the report was due by Monday, March 16, 2015.

1 7. Mortgage licensees must submit reports of condition of the licensee to the Department  
2 in the form prescribed by the National Mortgage Licensing System and Registry (“NMLS”).  
3 The NMLS requires licensees to submit quarterly reports of condition known as Mortgage  
4 Call Reports (“MCRs”). The NMLS mandates that MCRs be filed after each calendar quarter  
5 by May 15, August 14, November 14, and February 14. Insurance Agency has filed five late  
6 MCR quarterly reports since 2011, totaling 181 days late.

7 MORTGAGE CALL REPORTS (MCRs)

Year	Quarter	Date Due	Date Filed	Days Late
2011	Q1	05/15/2011	06/09/2011	25
2011	Q3	11/14/2011	12/15/2011	31
2011	Q4	02/14/2012	02/20/2012	5 <sup>3</sup>
2012	Q4	02/14/2013	06/13/2013	119
2014	Q1	05/15/2014	05/16/2014	1

12  
13 **II. CONCLUSIONS OF LAW**

14 1. Kelly is a “control person” of Insurance Agency as that term is defined in AS  
15 06.60.990(4) and is responsible for filing required reports with the Department.

16 2. Respondents violated AS 06.60.100(a) and 3 AAC 14.410 by filing Insurance  
17 Agency’s annual report late in 2010, 2011, 2013, and 2014, a total of 205 days late. Under 3  
18 AAC 14.414, the Department may assess a fee of \$25 per day for reports filed late.

19 3. Respondents violated AS 06.60.100(c) by filing five quarterly MCRs late totaling 181  
20 days. Under 3 AAC 14.414, the Department may assess a fee of \$25 per day for reports filed  
21 late.

22 4. Respondents are subject to a civil penalty under AS 06.60.100(b) and AS 06.60.420  
23

24 <sup>3</sup> Respondent paid \$125 for this late filing on March 5, 2012.

1 for violating AS 06.60.100(a) and (c) and 3 AAC 14.410.

2 **III. ORDER**

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

6 1. Pay late fees of \$25 per day for each day late under AS 06.60.100 and 3 AAC 14.414  
7 for \$5,125 for filing four late annual reports and \$4,400 for filing four late MCR reports<sup>4</sup>, for  
8 a total of \$9,525. These late fees are suspended for a period of three years.

9 2. Pay a civil penalty under AS 06.60.420 in the amount of \$3,150. This amount was  
10 calculated at \$350 for nine late reports. This amount is immediately due to the Department.

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

12 If Respondents fail to comply with any term or condition of this Order, including failure to  
13 comply with any future filing or reporting deadlines, the suspended portion of the late fees  
14 will be immediately due.

15 4. Respondents are jointly and severally liable for complying with the terms of this order  
16 including payment of the civil penalty.

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24 <sup>4</sup> Not including the late 2011 Q4 MCR, for which respondents already paid \$125.

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

2 **IT IS SO ORDERED.**

3 Chris Hladick, Commissioner  
4 Department of Commerce, Community  
and Economic Development

5  
6 October 5, 2015  
Date

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

8  
9 **Consent to Entry of Order**

10 I, James L. H. Kelly, state that I am the Owner of Jim  
11 Kelly Insurance Agency (“Respondent”); that I am authorized to act on its behalf; that I have  
12 read the foregoing Order; and that I am aware of the right to a hearing and appeal in this  
13 matter, and have waived the same.

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

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

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1 Respondent enters into this Order voluntarily and understand that this Order is a public  
2 document and is reportable to the NMLS.

3  
4 9/30/2015  
Date

/s/ James L. H. Kelly  
Jim Kelly Insurance Agency

5  
6 By: James L. H. Kelly  
Title: Owner

7 SUBSCRIBED AND SWORN TO before me this 30 day of September, 2015 at  
8 Fairbanks, Alaska.

9  
10 /s/ Elizabeth Campbell  
Notary Public in and for Alaska

11 Elizabeth Campbell  
Notary Printed Name  
12 My commission expires: 6-17-19

13  
14 **Consent to Entry of Order**  
**James L.H. Kelly**

15 I, James L.H. Kelly, hereby acknowledge that I have read the foregoing Order; and  
16 that I am aware of the right to a hearing and appeal in this matter, and have waived the same.

17 I admit the jurisdiction of the Department of Commerce, Community and Economic  
18 Development, Division of Banking and Securities (“Department”) and further consent to  
19 entry of this Order by the Department as settlement of the issues contained in this Order. I  
20 admit violation of the Alaska SAFE Act.

21 I understand that the Department reserves the right to take further actions to enforce  
22 this Order or to take appropriate action upon discovery of other violations of the Alaska  
23 SAFE Act, and that I will fully comply with the terms and conditions of this Order, the  
24 Alaska SAFE Act and associated regulations.

