



THE STATE  
*of* **ALASKA**

GOVERNOR MICHAEL J. DUNLEAVY

**DEPARTMENT OF COMMERCE, COMMUNITY AND  
ECONOMIC DEVELOPMENT**

**OVERVIEW**  
**Division of Banking and Securities**

Director Patrice Walsh

February 8, 2019



Promoting a healthy financial system for commerce while fostering safe and sound financial services for the protection of Alaska's consumers.



## Division of Banking and Securities

### What does DBS do?

- Charter, license and register financial entities, institutions, salespersons and products and accept filings
- Examine licensees for compliance and investigate complaints relating to regulated industries and persons
- Provide financial education and information to consumers, industry, small businesses and investors
- Accept Alaska Native Claims Settlement Act corporation and shareholder proxy filings.



## Division of Banking and Securities

### Regulated Financial Services

- State banks, credit unions, trust companies
- Business Industrial Development Corporations (BIDCO)
- Premium finance companies, small loan companies, payday lenders
- Mortgage lenders, loan originators, money service businesses
- Securities broker-dealers, investment advisers, sales agents
- Securities issuers and agents
- Mutual funds, federal covered securities
- Alaska Native Claims Settlement Act (ANCSA) Corporation and shareholder proxy filings



## Division of Banking and Securities

### 2018 by the Numbers

**Securities:** 1,246 broker-dealers; 848 investment advisers;  
98,600+ salespersons

**Securities registrations/filings:** 7,000+ mutual fund/unit  
investment trust filings; 542 securities registrations

**State financial institutions:** 5 depositories; 4 trust companies

**Mortgage broker/lenders:** 605 offices; 2,405 originators

**Money service businesses:** 99 companies

**Other financial services entities:** 62 individuals/organizations

**ANCSA:** 1549 proxy related filings; 137 public record requests



## Division of Banking and Securities

In 2018, the Division issued 28 final Enforcement Actions

Securities: 5

Money Service Businesses: 6

ANCSA related: 2

Mortgage lending: 10

All Others: 2

The screenshot shows the website for the Division of Banking and Securities. The header includes the state seal and the department name. A search bar is present. The main navigation menu has links for HOME, BANKING, SECURITIES, and CONSUMER FINANCE. The page title is "State of Alaska / Commerce / Banking & Securities / Enforcement Orders". The main content area is titled "ENFORCEMENT ORDERS" and explains that actions are organized by year. It features two expandable year lists: 2018 (expanded) and 2017. A sidebar on the right titled "DIVISION QUICK LINKS" contains links to the home page, statutes, admin codes, and enforcement orders.

Department of Commerce, Community, and Economic Development  
DIVISION OF BANKING AND SECURITIES

HOME BANKING SECURITIES CONSUMER FINANCE

State of Alaska / Commerce / Banking & Securities / Enforcement Orders

### ENFORCEMENT ORDERS

Enforcement actions are organized by year. To open a list of orders, click on the year. Generally, orders ending with -B relate to banking, -S relate to securities, and -C relate to Consumer Finance. If you are looking for specific order but you cannot find it listed, please contact the Division.

► 2018

▼ 2017

#### DIVISION QUICK LINKS

- Banking and Securities Home Page
- Alaska Banking Statutes
- Alaska Banking Admin Code
- Alaska Securities Statutes
- Alaska Securities Admin Code
- Enforcement Orders

[commerce.alaska.gov/web/dbs/enforcementorders.aspx](https://commerce.alaska.gov/web/dbs/enforcementorders.aspx)



## Division of Banking and Securities

### Major Accomplishments in 2018

**Alaska Securities Act** – The Alaska Securities Act was signed into law in June 2018 which modernized the securities law and improves investor protections and enforcement provisions. It created a new chapter to separate securities from the Alaska Native Claims Settlement Act provision.

**Assessment Fees** – Semi-annual assessment fees for state chartered banks and credit unions were recalculated and adopted. The fees were last updated over twenty-five years ago and did not reflect significant changes in the regulation and examination of financial institutions implemented since the national financial crisis of 2007-2008.

**Money Service Businesses** – Licensing of money service businesses was transitioned from paper applications to the Nationwide Multistate Licensing System (NMLS) electronic registry. This was accomplished after promulgating new regulations. New applicants and current licensees benefit from streamlined electronic licensing and periodic reporting processes while the Division is able to see and follow up on deficiencies set by other states.

**Alaska Native Claims Settlement Act (ANCSA) Filings and Request** – A Financial Examiner position was approved to address the continued growth in the ANCSA filings, request for investigation, and public information request. The number of filing increased 22% over the double digit increase in FY 2017, and public information request increase 19%. The Division began assessing fees to ANCSA corporations to help cover the cost of regulation.

**Securities Settlement** – A multistate enforcement case was settled with LPL Financial LLC regarding the sales of unregistered, non-exempt securities. Forty-nine states signed the order with Alaska receiving \$499,000 in civil penalties. The settlement sends a strong message that states serve a vital role in protecting investors by holding firms accountable.



## Division of Banking and Securities

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