



**A R C U S**  
L E N D I N G

## Arcus Lending Complaints Handling Policy

Updated as of  
Nov 2019

## I. Introduction

### A. Objective and Purpose of the Complaints Handling Policy

Arcus Lending Inc. (“**AL**”) seeks to maintain its reputation as a mortgage brokerage firm delivering high quality professional services. AL is also committed to maintaining its responsiveness to the needs and concerns of its clients. This Policy is designed to provide guidance on the manner in which AL receives and handles complaints made against the firm, which includes its principals, partners, employees and consultants, as may be applicable. The objective of the Policy is to assist the firm in resolving complaints in an efficient, effective and professional manner.

### B. Federal Regulatory Background

In response to the 2007-08 U.S. housing crisis and resulting recession, the United States Congress passed the Secure and Fair Enforcement for Mortgage Licensing Act (the “**SAFE Act**”) in 2008 to establish a national licensing system for all state regulators to use in licensing mortgage professionals. The Consumer Financial Protection Bureau (“**CFPB**”) was subsequently created in 2011 (the same year the final SAFE Act was published) as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The CFPB is the federal agency that holds primary responsibility for regulating consumer protection in the United States and enforces the SAFE Act through the National Mortgage Licensing System (“**NMLS**”).

NMLS was created by the Conference of State Bank Supervisors (“**CSBS**”) and the American Association of Residential Mortgage Regulators. It is owned and operated by the State Regulatory Registry LLC, a wholly owned subsidiary of CSBS. NMLS is the sole system of licensure and record for mortgage companies and Mortgage Loan Originators for most U.S. state and territorial agencies.

AL has endeavored to align its procedures with the current best practices as may be required and amended by the NMLS from time to time.

### C. Definition of a Complaint

This Policy is intended to address complaints made to AL. While complaints may have several meanings, AL has defined a complaint under this Policy as: “An expression of dissatisfaction made to an organization related to its services, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected”. Any person or organization (“**Complainant**”) who is dissatisfied with a service provided by the firm, for any reason, may contact AL to make a complaint. A complaint may be oral or written. At times, complaints can be made by way of negative feedback, which may not require a resolution or formal follow-up. While this type of feedback is valuable, the Policy does not apply to feedback of this nature because all complaints received by AL shall be responded to in writing.

## II. Guiding Principles of Effective Complaints Handling

AL has implemented the following guiding principles of effective complaints handling:

<b>Principle</b>	<b>AL's response</b>
Visibility	Our Complaints Handling Policy is available on the AL Website and hard copies will also be made available to anyone upon request.
Accessibility	Our Complaints Handling Policy is readily accessible to all clients, regulators, employees and contractors, as may be applicable. This Policy is easy to understand and includes details on making and resolving complaints.
Responsiveness	Receipt of each complaint will be promptly acknowledged to the Complainant. Complaints will be handled in an efficient and effective manner. Complainants will be treated courteously and kept informed of the progress of their complaint throughout the complaint-handling process.
Objectivity	Each complaint is addressed in an equitable, objective and unbiased manner through the complaints-handling process.
Fees	There will be no fees assessed to the Complainant for making a complaint.
Confidentiality	Personally identifiable information concerning the Complainant is actively protected from disclosure unless the Complainant expressly consents to its disclosure.
Customer-focused Approach	All principals, employees and contractors of AL, as may be applicable, including the CEO, are committed to efficient and fair resolution of complaints. AL actively solicits feedback from its clients on a regular basis and acknowledges a client's right to complain.
Accountability	All principals, employees and contractors accept responsibility for effective complaints handling. The CEO will ensure that, where appropriate, issues raised in the complaints handling process are reflected in employee performance evaluation, if applicable.
Continual Improvement	AL's complaints handling process will be reviewed periodically, and at least annually, in order continually enhance efficient delivery of effective outcomes.

### III. Handling a Complaint

#### A. How a Complaint May Be Made

Where a complaint is about a particular engagement, service, principal, partner, employee or consultant, and the Complainant is familiar with the person(s) working on the Complainant's matter, the Complainant may wish to address the complaint to a specific or the most appropriate person, orally, by letter, email or fax. Where possible, complaints should be made in writing so that the details of the complaint are clear and complete. The CEO, taking full responsibility for the actions of AL and its employees and contractors, as applicable, is therefore also responsible for all quality assurance and risk management affairs of the firm. If the Complainant is not sure to whom the complaint should be referred, or feels that it would be inappropriate to address the complaint to a specific person, the Complainant should contact the CEO at AL whose contact particulars are as follows: (In cases where the complaint is for Shashank Shekhar, CEO, complaints will be handled by the Compliance Manager.)

Shashank Shekhar, CEO  
Arcus Lending Inc.  
1245 S Winchester Blvd., Suite 209  
San Jose, CA 95128  
(408) 615-0655 [Office]  
(408) 228-8708 [Fax]  
[Shashank@arcuslending.com](mailto:Shashank@arcuslending.com)

Samantha Beggs, Compliance Manager  
Arcus Lending Inc.  
1245 S Winchester Blvd., Suite 209  
San Jose, CA 95128  
(972) 808-7701 [Office]  
(408) 228-8708 [Fax]  
[Samantha@arcuslending.com](mailto:Samantha@arcuslending.com)

#### B. Information Required When Making a Complaint

When making a complaint, the following information should be provided by the Complainant to AL:

- Name of the company or individual(s) involved, the individual's title, and all relevant contact particulars of the Complainant
- Complainant's relationship with AL (i.e., the nature of Complainant's engagement with AL and whether you are an existing or prospective client)
- Contact person at AL to whom Complainant would wish to address the complaint
- Nature of the complaint (including what was said or done resulting in the need to file a complaint, and when the conduct giving rise to the complaint occurred)
- Details of the AL principal, partner, employee or consultant involved (if applicable)
- Copies of any documentation supporting the complaint (i.e., contracts, account statements, disclosure documents, cancelled checks or money wires, sales materials and advertisements).

#### C. Assistance with Making a Complaint

If the Complainant requires assistance in formulating or lodging a complaint, the Complainant should not hesitate to contact the CEO of AL or the Compliance Manager at anytime (please see contact particulars provided above).

#### D. Acknowledgement of Complaints

AL is committed to acknowledging all complaints promptly upon receipt. Once a complaint has been received, an initial review of the complaint will be undertaken. AL will endeavor to resolve complaints within one (1) week of receiving the complaint. Should the review exceed this timeframe, AL will contact the Complainant to provide the reasons for the delay, and to indicate when the review of the complaint will be completed.

#### E. During the Complaint Process

The Complainant is encouraged to enquire into the status of the complaint by contacting the CEO of AL or the Compliance Manager at any time.

#### F. Response to a Complaint

Once AL has reviewed the complaint, AL will provide a written response to the Complainant. If the Complainant is dissatisfied with AL's response, the Complainant may ask AL to reconsider the response. Such a request should be made in writing and forwarded by mail, email or fax to the address of the CEO or Compliance Manager as provided above.

### **G. Further Action**

If the Complainant is dissatisfied with the manner in which the complaint has been handled, the Complainant may refer the matter to the following external dispute resolution bodies:

#### **National Mortgage Licensing System & Registry (NMLS) Resource Center**

(240) 386-4444 or: [www.mortgage.nationwidelicencingsystem.org](http://www.mortgage.nationwidelicencingsystem.org)  
or: [www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)

#### **U.S. Department of Housing and Urban Development (HUD)**

451 7th Street S.W., Washington, DC 20410

Phone in DC: (202) 708-1112 / Phone in Orlando, Florida: (904) 232-1777 or: [www.hud.gov](http://www.hud.gov)

#### **Consumer Finance Protection Bureau (CFPB)**

P.O. Box 4503, Iowa City, Iowa 52244

[www.consumerfinance.gov/contact-us](http://www.consumerfinance.gov/contact-us) or [www.consumerfinance.gov/complaint](http://www.consumerfinance.gov/complaint)

Consumer Help: (855) 411-CFPB (2372) [[info@consumerfinance.gov](mailto:info@consumerfinance.gov)]

3rd Party Help: (855) 695-7974 [[whistleblower@consumerfinance.gov](mailto:whistleblower@consumerfinance.gov)]

## **IV. AL's Quality Controls**

Complaints will be analyzed by the CEO of AL or the Compliance Manager promptly upon receipt for the identification of systemic or recurring problems. If such problems are identified, AL will consider what actions it may need to take to address these problems. The complaints handling process will be reviewed periodically, and at least annually, in order to enhance its delivery of efficient and effective outcomes. This review will be performed by the CEO or an appropriate appointee, and AL will consider what actions it may need to take to address any deficiencies identified in such a review. Where appropriate, issues that arise as a result of AL's complaints handling process may be incorporated in the process for monitoring and evaluating principal, partner, employee or consultant performance, as applicable. Please contact the CEO or Compliance Manager (contact particulars are set forth above) if you have any comments or suggestions in respect of the contents of this Policy.

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