

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

---

**IN THE MATTER OF**

**UNITED MORTGAGE CONSULTANTS, INC.  
LITTLE ROCK, AR**

---

**ORDER NO. C-03-015-03-CD01**

**CEASE AND DESIST ORDER AND  
REVOCAION OF MORTGAGE LOAN COMPANY  
REGISTRATION CERTIFICATE**

Arkansas Securities Commissioner Michael B. Johnson, of the Arkansas Securities Department ("Department"), upon sufficient evidence presented to him, has reason to believe that **UNITED MORTGAGE CONSULTANTS, INC. ("UNITED")** has failed to comply with the provisions of the Arkansas Mortgage Loan Company and Loan Broker Act, Ark. Code Ann. § 23-39-101, *et seq.*, ("Act") and has thereby lost its registration certificate.

**FINDINGS OF FACT**

1. **UNITED** was formed as an Arkansas corporation on February 9, 2001.
2. The Department received an application for registration as a mortgage loan company from **UNITED** on February 26, 2001. The application was approved and a registration certificate issued February 27, 2001.
3. On February 11, 2003, the Department received Notice of Cancellation from Fidelity and Deposit Company of Maryland reflecting that **UNITED's** Surety Bond Number LPM 8655514 would be terminated April 12, 2003.

4. By certified letter dated February 13, 2003, Rhys G. Rogers, a Securities Examiner Supervisor with the Department, (i) advised **UNITED** that the Act required the \$35,000.00 surety bond to remain in force at all times, (ii) enclosed a copy of the Notice of Cancellation received from Fidelity and Deposit Company of Maryland, and (iii) requested that **UNITED** file a replacement bond by the April 12, 2003, bond expiration date. The signed return receipt reflects that **UNITED** received the February 13, 2003, certified letter on February 19, 2003.
5. Pursuant to the Notice of Cancellation, **UNITED's** \$35,000.00 surety bond issued by Fidelity and Deposit Company of Maryland expired on April 12, 2003, and **UNITED** has not filed a replacement surety bond.

#### **CONCLUSIONS OF LAW**

6. The Commissioner is charged with the administration and enforcement of the Act pursuant to Ark. Code Ann. § 23-39-201 (Repl. 1994).
7. Ark. Code Ann. § 23-39-304(a)(1) (Supp. 1999) requires each mortgage loan company to deposit a \$35,000.00 corporate surety bond with the Commissioner.
8. Ark. Code Ann. § 23-39-307(a)(3) (Supp. 1999) provides for revocation of a registration if the company does not conduct its business in accordance with law or has violated any provision of the Act.

### OPINION

9. This matter has been properly brought before the Commissioner in accordance with Ark. Code Ann. § 23-39-201 (Repl. 1994). **UNITED's** failure to maintain a \$35,000.00 surety bond in accordance with Ark. Code Ann. § 23-39-304(a)(1) (Repl. 1999) is a violation of the Act which constitutes grounds to revoke **UNITED's** registration certificate.
10. Pursuant to Ark. Code Ann. § 23-39-307(a)(3) (Supp. 1999), the Commissioner can and should revoke **UNITED's** registration certificate.
11. This order is in the public interest.

### ORDER

IT IS THEREFORE ORDERED pursuant to Ark. Code Ann. § 23-39-202(b)(1) that **UNITED MORTGAGE CONSULTANTS, INC.** CEASE AND DESIST from engaging in all mortgage loan and loan brokering activities including advertising, offering and conducting mortgage loan company and loan brokering business.

IT IS FURTHER ORDERED that the registration certificate provided **UNITED MORTGAGE CONSULTANTS, INC.** under Ark. Code Ann. § 23-39-301 (Supp. 1999) be revoked in accordance with Ark. Code Ann. § 23-39-307(a)(3) (Supp. 1999).

IT IS FURTHER ORDERED that all pending mortgage loan applications now held by **UNITED MORTGAGE CONSULTANTS, INC.** shall immediately be transferred to a duly registered or exempted mortgage loan company or loan broker and proof of such filed within ten (10) days of the receipt of this Order.

**UNITED MORTGAGE CONSULTANTS, INC.** is hereby notified of its right to a hearing regarding this matter. However, if no written application for a hearing is made within twenty (20) days of the entry of this Order, this Order will become final.

WITNESS MY HAND AND SEAL this 17th day of April, 2003.

A handwritten signature in black ink, appearing to read "M. Johnson". The signature is written in a cursive style with a large, stylized initial "M".

---

MICHAEL B. JOHNSON  
ARKANSAS SECURITIES COMMISSIONER