

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF**

**ORDER NO. C-05-037-07-FO01**

**KEITH W. THOMAS**

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**RESPONDENT**

**SUMMARY ORDER**

This Summary Order is entered pursuant to the terms and conditions of Order No. C-05-037-06-OR01. Pursuant to Cease and Desist Order No. C-05-037-06-OR01 entered on July 20, 2006, the Arkansas Securities Commissioner (hereinafter referred to as “Commissioner”) finds that the conditional loan officer license granted to Keith W. Thomas, (hereinafter referred to as “Respondent”) (#32478) on August 23, 2006 is revoked and Respondent is ordered to cease and desist from all mortgage loan activity. This Order is entered pursuant to the provisions of the Arkansas Fair Mortgage Lending Act (hereinafter referred to as “the Act”), located at Ark. Code Ann. § 23-39-501, *et. seq.*, and the Arkansas Administrative Procedures Act, located at Ark. Code Ann. § 25-15-201, *et. seq.*:

1. Respondent Thomas is an individual residing in Austin, Arkansas.
2. Cease and Desist Order No. C-05-037-06-CD01 was entered on May 16, 2006.
3. On or about July 20, 2006, a hearing was held at the request of Keith W. Thomas, (hereinafter referred to as “Respondent”) on Cease and Desist Order No. C-05-037-06-CD01.

4. During the hearing, the Commissioner stated that a Conditional Loan Officer License would be granted to Respondent if within ninety (90) days of the entry of the Order, Respondent affiliated himself with a licensed mortgage banker/broker, paid full restitution to four (4) Arkansas consumers, and provided proof of said restitution to the Arkansas Securities Department (“Department”). Respondent agreed to these conditions and waived his right to a hearing if he failed to meet these conditions.

#### **FINDINGS OF FACT**

5. An Order was entered herein on July 20, 2006 modifying Cease and Desist Order No. C-05-037-06-CD01 to allow Respondent to conduct a limited amount of mortgage loan activity in the State of Arkansas under the Act.
6. Respondent was granted a conditional loan officer license (#32478) on August 23, 2006 as an employee of American Residential Mortgage (#32736).
7. Respondent has failed to pay restitution to the four (4) claimants as required in Order No. C-05-037-06-OR01 and provide proof of payment of restitution to the Department after a request for said proof from the Department.

### **APPLICABLE CODE PROVISIONS**

8. The Commissioner is charged with the duty of issuing licenses for mortgage bankers, mortgage brokers, mortgage servicers and loan officers under the Fair Mortgage Lending Act pursuant to Ark. Code Ann. § 23-39-514 and regulating the conduct of such persons.
9. Ark. Code Ann. § 23-39-514 (a) (1) and (2) (A) - (B), and (E) provides that the Commissioner may deny, suspend, revoke, or refuse to issue or renew a license of a licensee or applicant under this subchapter or may restrict or limit the activities relating to mortgage loans of any licensee or any person who owns an interest in or participates in the business of a licensee if the commissioner finds that the Order is in the public's interest; any of the following circumstances apply to the applicant, licensee, or any partner, member, manager, officer, director, loan officer, managing principal, or any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the applicant or license.
10. Ark. Code Ann. § 23-39-514 (c) (6) and (d) (2) (E) provides that the Commissioner can modify or vacate the order after a hearing until final determination.

### **CONCLUSIONS OF LAW**

11. This matter has been properly brought before the Commissioner, and the entry of this Order is in the public interest.

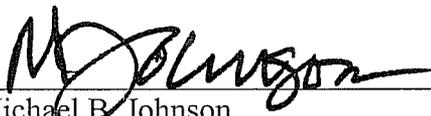
12. Respondent has failed to comply with the provisions of Modification of Cease and Desist Order NO. C-05-037-06-OR01 entered on July 20, 2006.
13. The Commissioner finds that satisfactory evidence exists that Respondent is in violation of Modification of Cease and Desist Order NO. C-05-037-06-OR01 entered on July 20, 2006 by failing to pay full restitution and provide proof of payment of restitution to the Department.
14. The Commissioner is duly authorized to summarily order the mortgage broker, or person engaged in the act or practice in violation of the Act, to cease and desist from the unlawful activity.

**ORDER**

IT IS HEREBY ORDERED and affirmed that Keith W. Thomas (#32478) shall immediately CEASE and DESIST from transacting the business of a loan officer or otherwise engaging in mortgage loan or loan brokering activities in Arkansas.

Respondent is admonished that any violations of this Order will result in the initiation of legal proceedings before the Circuit Court of Pulaski County by Securities Department legal counsel.

WITNESS MY HAND AND SEAL THIS 23<sup>rd</sup> DAY OF FEBRUARY, 2007.

  
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Michael B. Johnson  
ARKANSAS SECURITIES COMMISSIONER