

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-17-0010
ORDER NO. C-17-0010-17-OR01

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:
SUNTRUST MORTGAGE, INC.
NMLS NO. 2915

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Fair Mortgage Lending Act (“FMLA”), codified at Ark. Code Ann. §§ 23-39-501 through 23-39-518, the Rules of the Arkansas Fair Mortgage Lending Act (“Rules”) and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement between the Staff of the Arkansas Securities Department (“Staff”) and the Respondent, SunTrust Mortgage, Inc. (“SunTrust”), and in full and final settlement of all claims that could be brought against SunTrust by the Staff on the basis of the facts set forth herein.

SunTrust admits jurisdiction of the FMLA and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing and appeal, consents to the entry of this Consent Order, and agrees to abide by its terms.

FINDINGS OF FACT

1. SunTrust is a Virginia corporation with a principle place of business at 901 Semmes Avenue, Richmond, VA 23224. SunTrust is licensed under the FMLA as a mortgage broker, banker, and servicer, Nationwide Mortgage Licensing System (“NMLS”) number 2915.
2. The Staff initiated a routine examination of SunTrust on April 20, 2016. Through its examination the Staff has determined that SunTrust employed ten different individuals as loan officers between 2013 and 2015 who solicited and accepted thirteen loan applications from Arkansas residents without being licensed under the FMLA.

3. SunTrust fully cooperated with the Staff during the Staff's examination of SunTrust's operations. In addition, SunTrust has assured the Staff that it has instituted significant internal controls and supervisory changes necessary to ensure that the above detailed violations will not occur in the future.

LEGAL AUTHORITY AND CONCLUSIONS OF LAW

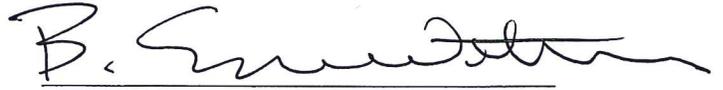
4. Ark. Code Ann § 23-39-503(c) states that it is unlawful for any person other than an exempt person to employ, to compensate, or to appoint as its agent any person to act as a loan officer unless the loan officer is licensed under the FMLA. The unlicensed mortgage loan officer activity by ten employees of SunTrust as detailed in paragraph two constitutes thirteen separate violations of Ark. Code Ann. § 23-39-503(c) by SunTrust.

5. Ark. Code Ann. §§ 23-39-514(b)(1) and (2) provide that the Commissioner by order may impose a civil penalty that shall not exceed \$10,000.00 for each violation by a mortgage broker, banker, or servicer upon licensee or any partner, officer, director, member, manager, or other person occupying a similar status or performing a similar function on behalf of a licensee for any violation of the FMLA. SunTrust's violations of the FMLA as detailed in paragraph two warrant the imposition of a civil penalty against SunTrust.

ORDER

By agreement and with the consent of the Staff and the authorized representative of SunTrust, it is hereby ordered that SunTrust shall pay a civil penalty of \$13,000.00 to the Arkansas Securities Department. SunTrust has agreed to this settlement without admitting or denying the findings of fact or conclusions of law made by the Arkansas Securities Department herein. Payment shall be made by SunTrust with the submission of its agreement and consent to the terms of this order.

IT IS SO ORDERED.

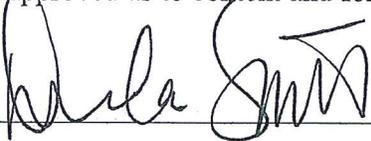


B. EDMOND WATERS
Arkansas Securities Commissioner

3-13-17

Date

Approved as to content and form:



Dorinda Smith, Chief Executive Officer
SunTrust Mortgage, Inc.

3/1/17

Date



Aislinn Andrews, Staff Attorney
Arkansas Securities Department

3/13/17

Date