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ARKANSAS SECURITIES DEPARTMENT

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October 20, 2000

Phillip K. Johnson
LATHROP & GAGE L.C.
Suite 2600
2315 Grand Boulevard
Kansas City, Missouri 64108-2684

**Re: Loan Broker's Registration Certificate Opinion Letter
No-Action No. 00-011**

Dear Mr. Johnson:

The staff of the Arkansas Securities Department has reviewed your letter of October 9, 2000, wherein you request the Department's opinion as to whether or not the business activities contemplated by your client in Arkansas require registration under the Arkansas "Mortgage Loan Company or Loan Broker Act," Ark. Code Ann. § 23-39-101 *et seq.* (the "Act"). Based solely upon the facts and representations made in your letter, the staff will recommend that the Commissioner take no action to enforce the registration provisions of the Act as they pertain to those activities. A summary of those facts and representations is as follows.

A registered mortgage lender or loan broker (the "Company") will retain your client as an "independent contractor" for the limited purpose of placing phone calls to individuals listed in a prospective customer database provided by the Company. In the telephone call, your client will only inquire into whether or not the prospective customer is interested in speaking to a representative from the Company about refinancing their current residential mortgage or obtaining a second residential mortgage. If the prospective customer expresses an interest, your client will inform the customer that a representative from the Company will contact him or her with additional details. There will be no additional contact between the customer and your client beyond this initial telephone call.

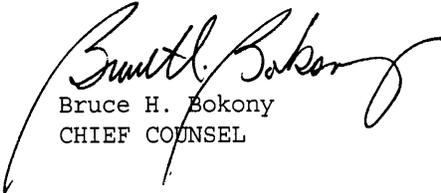
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Your client will only be providing this limited screening service on behalf of the Company. Your client will have no role in negotiating any terms of a prospective mortgage including interest rates or loan amounts. Your client will not obtain any personal or financial information from the customer, nor will your client perform any calculations designed to determine the amount or type of loan the customer may or not be qualified for. Your client will be paid on an hourly basis and not on any basis dependent on whether or not a mortgage loan is ultimately consummated.

Please note that the position expressed herein is based solely upon the representations made in your letter and applies only to the type of transaction identified therein. Different facts or circumstances might, and often would, require a different response. The position expressed deals only with anticipated enforcement action by the Department and does not purport to be a legal opinion.

Should you have any questions regarding this letter, please contact the undersigned.

Sincerely,



Bruce H. Bokony
CHIEF COUNSEL