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6/21/2002

Lee J. Leslie
iGeneral Counsel
2120 Colorado Avenue , 3rd Floor
Santa Monica, CA 90404

Re: Interpretive letter request of April 9, 2002
No-Action No.: 02-005

Dear Mr. Leslie:

The staff of the Arkansas Securities Department has reviewed your letter of April 9, 2002, wherein you request the staff's opinion as to whether or not the business activities contemplated by your unidentified client in Arkansas require registration pursuant to the "Mortgage Loan Company or Loan Broker Act," Ark. Code Ann. 23-39-101, *et. seq.* Your letter does not provide a detailed description of the contemplated activity. It merely represents that your client will operate as a computer loan originator that will take information from the consumer which will be forwarded to one or more lenders chosen by your client from its network of lenders. For its service, your client will receive a fee from each lender.

Ark. Code Ann. 23-39-102(5)(A)(ii) defines a "mortgage loan company" to include "any person who directly or indirectly: [h]olds himself out for hire to serve as an agent for any person who has money to loan, which loan is or will be secured by a lien or mortgage on real property;" Based upon the representations in your letter, it appears your client will be conducting mortgage loan activity in Arkansas prior to which it must first file an application for registration with the Commissioner. See, Ark. Code Ann. § 23-39-301. Registration forms may be retrieved from the Department's website at: www.accessarkansas.org/arsec.

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

Sincerely,

Bruce H. Bokony
CHIEF COUNSEL