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ARKANSAS SECURITIES DEPT.

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. C-16-0044

IN THE MATTER OF:

**LICENSURE OF AMANDA
RUTH FRIEDMAN FRIEDMAN WITH
STATE FARM BANK, F.S.B.**

ORDER NO. C-16-0044-16-OR01

ORDER

This Order is entered pursuant to the Arkansas Fair Mortgage Lending Act (“Act”), Ark. Code Ann. §§ 23-39-501 through 23-42-518, the Rules of the Fair Mortgage Lending Act, and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-219.

FINDINGS OF FACT

1. Amanda Ruth Friedman (“Friedman”), NMLS No. 1207654, filed an application to be licensed as a loan officer working exclusively on behalf of State Farm Bank, F.S.B. (“SFB”), NMLS No. 139176 on March 16, 2016 with the Arkansas Securities Department.
2. Friedman is an independent agent of SFB. SFB is a federally chartered bank whose accounts are insured by the Federal Deposit Insurance Corporation. Therefore, SFB is exempt from licensure under the Act as a mortgage broker or mortgage banker by Ark. Code Ann. § 23-39-502(9)(B)(vi).
3. The Act requires that an individual must be licensed as a loan officer employed by a licensed mortgage broker or mortgage banker in order to engage in mortgage loan activity in Arkansas. Ark. Code Ann. § 23-39-503(c). Accordingly, in order to allow

Friedman to be licensed as a loan officer in Arkansas, Friedman has to work for a licensed mortgage broker or mortgage banker.

4. Although exempt, SFB has agreed to act, in all respects as if it is, as a mortgage broker or mortgage banker licensed under the Act in order for Friedman to conduct mortgage loan activity exclusively on its behalf in Arkansas.

5. The Act requires that licensed mortgage brokers and mortgage bankers, or any person directly or indirectly controlling the licensee, comply with all provisions of the Act.

6. The Staff of the Department discussed with SFB and Friedman a limited license for Friedman that may be granted upon receipt and acceptance of a written plan of compliance and responsibility for the mortgage loan activity of Friedman.

7. Ken Meek, Chief Lending Officer of State Farm Bank, has submitted a "Plan for Compliance" of Friedman with the Department. The Plan for Compliance is attached as "Exhibit A".

CONCLUSIONS OF LAW

8. The Arkansas Securities Commissioner may by order approve a limited registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate. Ark. Code Ann. § 23-42-505(a)(2).

ORDER

The application of Amanda Ruth Friedman for licensure as a loan officer for SFB, an exempt person under the Act, is hereby approved as a limited license based upon

SFB's agreement to act as if SFB is a mortgage broker or mortgage banker licensed under the Fair Mortgage Lending Act and continued compliance with the provisions of Exhibit A.

IT IS SO ORDERED.



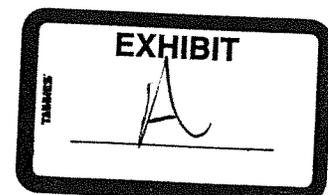
B. Edmond Waters
Arkansas Securities Commissioner

4-8-16
DATE

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Plan for Compliance of Amanda Ruth Friedman ("LOAN OFFICER") to be conducted by State Farm Bank ("SFB")

1. SFB undertakes and agrees to establish, maintain, and enforce procedures for Arkansas mortgage loan activity as if SFB was licensed as a mortgage broker or mortgage banker under the Fair Mortgage Lending Act, the Rules of the Fair Mortgage Lending Act, and any orders of the Arkansas Securities Commissioner, including, but not limited to, appointing a managing principal; providing a surety bond; notifying the Arkansas Securities Department ("Department") of all office locations and any change in office locations, notifying the Department of the location of books, records, and files used by SFB and its loan officers; providing the Department with a quarterly report of mortgage loan activity; keeping the books, records, and files in the manner prescribed by the Department; complying with the advertising provisions of the Fair Mortgage Lending Act; and complying with the duties of a licensee, including, but not limited to acting with reasonable skill, care, and diligence and safeguarding and accounting for the money received for, from, or on behalf of a borrower.
2. SFB undertakes and agrees to establish, maintain, and enforce written procedures for such supervision activities as if SFB was licensed as a mortgage broker or mortgage banker under the Fair Mortgage Lending Act that are reasonably necessary to achieve compliance with the Fair Mortgage Lending Act, the Rules of the Fair Mortgage Lending Act, and any orders of the Arkansas Securities Commissioner.
3. SFB undertakes and agrees to appoint a managing principal who is directly responsible for the supervision for LOAN OFFICER and SFB's mortgage loan activity in Arkansas and to ensure compliance with the Fair Mortgage Lending Act, the Rules of the Fair Mortgage Lending Act, and any orders of the Arkansas Securities Commissioner.
4. SFB and LOAN OFFICER further undertake and agree that upon request, SFB or LOAN OFFICER will immediately provide the staff of the Arkansas Securities Department with copies of such written supervisory procedures and documentation of such supervision activities, if applicable.
5. SFB undertakes and agrees to post a surety bond in the amount prescribed by the Rules of the Fair Mortgage Lending Act and in the form prescribed by the Arkansas Securities Commissioner to run to the state for the benefit of any claimants against LOAN OFFICER and SFB.
6. SFB undertakes and agrees to appoint a branch manager for SFB's branch office locations in Arkansas who will be in charge of and who is responsible for the business operations of SFB's branch office locations in Arkansas.



Ken Meek

Ken Meek
Bank Product Officer – State Farm Bank, F.S.B.

3/30/2016

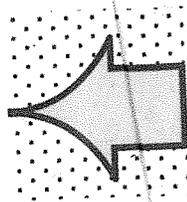
Date

Amanda Ruth Friedman

AMANDA RUTH FRIEDMAN
LOAN OFFICER

4/3/16

Date



**SIGN
HERE**