

STATE OF ARKANSAS
SECURITIES DEPARTMENT
CONSUMER SERVICES SECTION

IN THE MATTER OF

NO. C-04-087-04-AC01

SHIRLENA L. WRIGHT

CONSENT ORDER

This Consent Order is entered pursuant to the provisions of the Arkansas Fair Mortgage Lending Act (the "Act"), Ark. Code Ann. §§ 23-39-501, et seq. and the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201, et seq. (Repl. 2002). Pursuant to Ark. Code Ann. §23-39-514 (k), this order is entered in lieu of a formal hearing of matters raised through the Complaint to Deny License, Case No. C-04-087-04-AC01, in which the staff of the Arkansas Securities Department ("Department") found that Shirlena L. Wright materially misstated her responses to her Application for Loan Officer License that was received by the Department on July 15, 2004.

Shirlena L. Wright waives her right to a formal hearing, consents to the entry of this order, and agrees to abide by the terms hereof.

FINDINGS OF FACT

1. Wright filed with the Department an application to become registered as a Mortgage Loan Officer under the Act with Thompson's Mortgage Company on July 15, 2004. The application contains the following language in boldface type immediately preceding Wright's notarized signature: "I hereby swear or affirm that I have reviewed this application and the accompanying information submitted herein, and that the information contained therein is true, accurate, correct and complete to the best of my knowledge."

2. Question 6(a) on the application asks whether the applicant has ever been convicted of a crime punishable by one or more years imprisonment. Wright answered "No" to the question.

3. On May 19, 1998, a *Judgment in a Criminal Case* was handed down in United States District Court for the Eastern District of Arkansas, Case No. 4:97CR00174-001, styled *United States of America v. Shirlena Wright*. According to the Judgment, Wright pled guilty or was convicted of the violation of Conspiracy to Evade Reporting and Return Requirements, a Class D Felony, and the violation of Aiding and Abetting in Bank Fraud & Fraudulent Use of Social Security Numbers, a Class B Felony.

4. Question 6(c) on the application asks whether the applicant has ever been the subject of any action, order or proceeding, pending or concluded, by any state or federal agency regulating the mortgage banking, mortgage brokering, or mortgage servicing industries during the past five years. Wright answered "No" to the question.

5. Wright previously was one of the subjects of a Cease and Desist Order issued by the Department, No. C-03-020-03-CD01, directing Wright, along with others, to cease and desist from engaging in or transacting business as a mortgage loan company or loan broker, or otherwise engaging in mortgage loan or loan brokering activities in Arkansas.

RELEVANT STATUTES AND RULES

6. Ark. Code Ann. § 23-39-514(a)(2)(A) provides that the Commissioner may by order deny any registration if he finds that the applicant has filed an application for license that, as of its effective date or as of any date after filing, contained any omission or statement that, in light of the circumstances under which it was made, is false or misleading with respect to any material fact.

7. Ark. Code Ann. § 23-39-514(a)(2)(C) provides that the Commissioner may by order deny any registration if he finds that the applicant has pleaded guilty to or been found guilty of any felony.

8. Ark. Code Ann. §23-39-514(a)(2)(E) provides that the Commissioner may by order deny any registration if he finds that an applicant is the subject of an order of the Commissioner denying, suspending, or revoking that person's license as a mortgage broker, mortgage banker, mortgage servicer, loan officer, securities broker-dealer, securities agent, investment adviser, or investment adviser representative.

CONCLUSIONS OF LAW

9. Paragraphs 1 through 8 are incorporated herein by reference and made a part hereof as if set out in full. The actions of Wright as set forth above constitute violations of Ark. Code Ann. § 23-39-514(a)(2)(A) in that Wright filed an application for a Loan Officer license that contained statements that were false and misleading as to the material facts of whether she had been convicted of any felony and whether she had been the subject of any order of a regulatory agency relating to mortgage banking activities. Such actions constitute grounds under Ark. Code Ann. § 23-39-514(a)(2)(A) to deny Wright's application to become licensed as a Loan Officer.

10. Paragraphs 1 through 8 are incorporated herein by reference and made a part hereof as if set out in full. The actions of Wright as set forth above constitute a violation of Ark. Code Ann. § 23-39-514(a)(2)(C) in that Wright has previously pled guilty to or been found guilty of felonies. Such conduct constitutes grounds under Ark. Code Ann. § 23-39-514(a)(2)(C) to deny Wright's application to become licensed as a Loan Officer.

11. Paragraphs 1, through 8 are incorporated herein by reference and made a part hereof as if set out in full. The actions of Wright as set forth above constitute a violation of Ark. Code Ann. §23-39-514(a)(2)(E) in that Wright is presently the subject of an Order of

the Commissioner directing that she cease and desist from engaging in the making or brokering of mortgages, and the transaction of mortgage business in Arkansas. The outstanding Cease and Desist Order constitutes grounds to deny Wright's application to become licensed as a Loan Officer.

OPINION

It is the opinion of the Commissioner that it is in the public interest to deny Wright's Application for Loan Officer License. The parties to this Consent Order hereby agree to the following additional terms:

1. Wright agrees that she will immediately cease any and all contact with the public, specifically providing only for required contact with mortgage lenders in order to process mortgage loans, in relation to the mortgage industry and further that she will cause any and all pending loan applications to be transferred to and completed by a loan officer currently having licensing with the Department.

2. Wright has alleged that she is currently unemployed and has recently been denied employment in a clerical position within the mortgage industry. Wright agrees that in the event she seeks to obtain employment within the mortgage industry, she must first obtain a written, signed agreement from her prospective new employer in conformity with this Consent Order, also acknowledging this Consent Order and she further agrees to provide supervisory arrangements satisfactory to the Department that will allow Wright to continue to be associated with the mortgage industry only in a clerical manner and she agrees that she shall not act to solicit or originate mortgage loans in any manner while in their employ. All future employers shall be subject to revocation or suspension of their licenses as a result of actions of Wright that breach this provision occurring while Wright is in their employ. In the event that Wright performs any services for a new employer within the mortgage industry, Wright shall not engage in any activities other than clerical-type

activities as they relate to the mortgage industry. Further, the new employer agrees to supervise Wright in her duties in such a manner that they ensure that no activities are undertaken by Wright other than clerical in nature, and to specifically only allow such contact with lenders necessary for the processing of mortgage loans. In the event that Wright's new employer fails to properly supervise Wright, the Department is entitled to revoke or suspend the license or other registrations held by the new employer. The new employer acknowledges in its signed, written agreement that supervision of Wright entails periodic verification of Wright's activities by the staff of the Department.

3. Wright agrees that she shall not be involved in any capacity within the mortgage industry, except in a clerical capacity, with the understanding that she will be allowed to engage in such contact with lenders only as necessary for the processing of mortgage loans. She further acknowledges and agrees that should she act in any other capacity, such as in an independent contractor capacity, that does not perform clerical duties, she will be in direct violation of the Commissioner's previous Cease and Desist Order referenced above and that she will be immediately subject to monetary fine for the willful breach of said Order in the amount of \$25,000 and also the immediate permanent injunction from any further activities within the mortgage industry, even in a clerical capacity.

4. Wright agrees that she will not apply to the Department for reconsideration of this Consent Order. Further, Wright agrees that she will not re-apply to the Department or any other regulatory agency for licensing in any capacity within the mortgage industry, such as a loan officer or loan broker for a period of one year from the date hereof. Should Wright apply to the Courts for modification of her obligations pursuant to this Consent Order or the previous Cease and Desist Order, Wright agrees that the terms of this

Consent Order and the published Cease and Desist Order may be enforced fully by the Court.

5. Wright agrees to notify the Department within 30 days of any change in her status that would affect the terms of this Consent Order, such as the agreement of a new employer.

ORDER

IT IS THEREFORE ORDERED THAT Wright's Application for Loan Officer License be denied.

IT IS FURTHER ORDERED THAT Wright shall immediately cease any and all contact with the public, for purposes of this Consent Order public is defined to exclude requisite contact with mortgage lenders in order to process mortgage loans, in relation to the mortgage industry and further that she will cause any and all pending loan applications to be immediately transferred for completion by a duly licensed loan officer.

IT IS FURTHER ORDERED THAT in the event Wright seeks to obtain employment within the mortgage industry, she shall be required to first obtain the written, signed agreement of all prospective new employers that they acknowledge this Consent Order and that they will properly supervise Wright and ensure that she is not acting in any capacity other than clerical and that she shall not act to solicit or otherwise act to originate mortgage loans within the mortgage industry, and that this provision specifically refers to all other forms of employment, such as of a contract labor nature. All future employers shall be subject to revocation or suspension of their licenses as a result of breaches of this provision while Wright is in their employ.

IT IS FURTHER ORDERED THAT Wright shall not be involved in any other capacity within the mortgage industry, except in a clerical capacity. Should she act in any other capacity, she will be in direct violation of the Commissioner's previous Cease and

Desist Order referenced above and that she will be immediately subject to a monetary fine for the willful breach of said Order in the amount of \$25,000 and the immediate permanent injunction from any and all further activities within the mortgage industry.

IT IS FURTHER ORDERED THAT Wright not apply to the Department for modification or reconsideration of this Consent Order for a period of one year from the date hereof. Also, if Wright should apply to the Courts for modification or reconsideration of her obligations pursuant to this Consent Order or the previous Cease and Desist Order, Wright agrees that the terms of this Consent Order and the published Cease and Desist Order may be fully enforced by the Court and this Department.

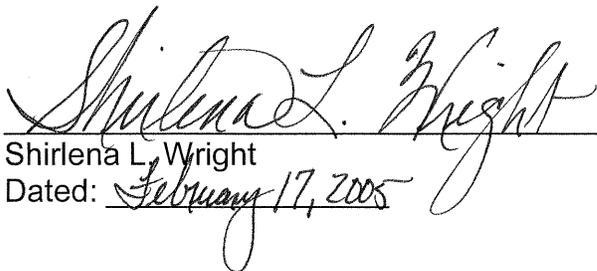
IT IS FURTHER ORDERED THAT Wright notify the Department in writing of any change in her status that would affect the terms of this Consent Order, such as supplying copies of all agreements with future new employers.

WITNESS MY HAND AND SEAL THIS 11th DAY OF FEBRUARY 2005.



MICHAEL JOHNSON
ARKANSAS SECURITIES COMMISSIONER

I agree to, acknowledge, and shall be bound by the terms of this Consent Order and shall abide thereby.



Shirlena L. Wright
Dated: February 17, 2005