

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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ARKANSAS SECURITIES DEPT.

CASE NO. C-09-051

IN THE MATTER OF:

ORDER NO. C-09-051-09-CO01

**1ST AAA REVERSE
MORTGAGE, INC.
D/B/A REVERSE
MORTGAGE USA**

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the provisions of the Fair Mortgage Lending Act ("Act"), Ark. Code Ann. §§ 23-39-501 through 23-39-518, and the Arkansas Administrative Procedures Act, Ark. Code Ann. § 25-15-201 through 25-15-218. Pursuant to Ark. Code Ann. § 23-39-514, this Consent Order is entered in lieu of a hearing of the above-referenced matter and in accordance with an agreement by and between the staff of the Arkansas Securities Department ("Staff") and 1st AAA Reverse Mortgage, Inc., d/b/a Reverse Mortgage USA ("AAA Reverse") in full settlement of all claims that could be brought against AAA Reverse by the Staff on the basis of the facts set forth herein.

AAA Reverse waives its rights to a formal hearing and consents to the entry of this order and agrees to abide by its terms.

FINDINGS OF FACT

1. AAA Reverse is a mortgage broker organized under the laws of Texas with its principal office located at 8616 Big View Drive, Austin, Texas, 78730.
2. AAA Reverse applied to be licensed with the Arkansas Securities Department ("Department") as mortgage broker in accordance with the Act on May 6, 2009.
3. After AAA Reverse had submitted its application to be licensed as a mortgage broker, but prior to its receiving a license from the Department to engage in mortgage brokering

activities in Arkansas, AAA Reverse sent written advertisements to Arkansas consumers soliciting mortgage loan applications. A copy of said advertisement is attached as “Exhibit A”.

4. The Staff has found no evidence that any mortgage loan applications were accepted as a result of on AAA Reverse’s advertisement soliciting mortgage loan applications.

LEGAL AUTHORITY

5. A mortgage broker is a person who for compensation or other gain or in the expectation of compensation or other gain solicits or offers to solicit an application for a mortgage loan, whether the acts are done directly or indirectly, by mail. Ark. Code Ann. § 23-39-502(15)(B).
6. It is unlawful for any person, other than an exempt person, to act or attempt to act as a mortgage broker without first obtaining a license under the Act. Ark. Code Ann. § 23-39-503(b).
7. The Act permits the informal disposition of an allegation by consent order. Ark. Code Ann. § 23-39-514(k).

CONCLUSIONS OF LAW

8. AAA Reverse solicited mortgage loan applications from Arkansas consumers without holding a mortgage broker license from the Department as detailed in ¶¶ 1-4 in violation of Ark. Code Ann. 23-39-503(b).

UNDERTAKING

In settlement of this matter, but without admitting or denying the findings of fact made above, AAA Reverse agrees to pay a fine in the amount of \$1,000.00. In addition, AAA

Reverse agrees to obtain an Arkansas mortgage broker license prior to soliciting or accepting mortgage loan applications in Arkansas.

ORDER

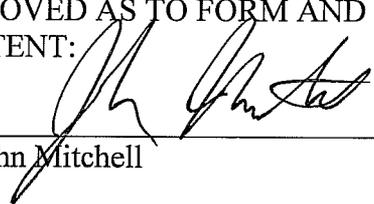
IT IS THEREFORE ORDERED that AAA Reverse pay a fine in the amount of \$1,000.00 within thirty days of the entrance of this Consent Order. In addition, AAA Reverse agrees to obtain an Arkansas mortgage broker license prior to soliciting or accepting mortgage loan applications in Arkansas.

WITNESS MY HAND AND SEAL on this 30th day of July, 2009.



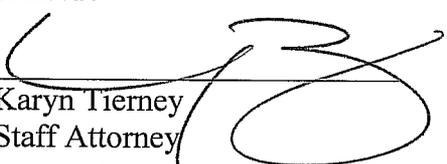
A. Heath Abshure
Arkansas Securities Commissioner

APPROVED AS TO FORM AND
CONTENT:

By: 
John Mitchell

Date: 7/29/09

APPROVED AS TO FORM AND
CONTENT:

By: 
Karyn Tierney
Staff Attorney

Date: 7/30/09