

BEFORE THE ARKANSAS SECURITIES COMMISSIONER  
CASE NO. C-07-045

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

AMERIFUND FINANCIAL, INC.,  
d/b/a ALLFUND MORTGAGE  
LICENSE NO. 11449

ORDER NO. C-07-045-08-FO-01  
RESPONDENT

**ORDER REVOKING LICENSE OF  
AMERIFUND FINANCIAL, INC., d/b/a ALLFUND MORTGAGE**

A hearing was held on April 28, 2008, in the above matter before the Arkansas Securities Commissioner (“Commissioner”) to consider a Request for Revocation of License and for Temporary Suspension of License Pending Hearing (“Request for Revocation”) filed by the Arkansas Securities Department Staff (“Staff”) on February 7, 2008. The Request for Revocation sought a hearing to determine whether mortgage banker and mortgage broker license number 11449 held by Amerifund Financial, Inc., d/b/a Allfund Mortgage, (“Amerifund Financial”) should be revoked. A Notice of Hearing was filed on February 7, 2008, and amended on March 10, 2008, setting the hearing for April 28, 2008. Amerifund Financial failed to appear at the hearing. The Staff was represented by attorney, Karyn Tierney.

Having considered the pleadings, exhibits, and the testimony of the witness, the Commissioner hereby revokes the mortgage banker and mortgage broker license of Amerifund Financial.

**Findings of Fact**

1. This proceeding was conducted pursuant to the Arkansas Fair Mortgage Lending Act (“Act”), Ark. Code Ann. §§ 23-39-501 through 23-39-518, and the Arkansas

Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201 through 25-15-218. The subject matter jurisdiction is proper.

2. Amerifund Financial is a mortgage banker and mortgage broker located in Tacoma, Washington. Prior to the Order Summarily Suspending License of Amerifund Financial Inc., d/b/a Allfund Mortgage issued on February 7, 2008, Amerifund Financial had been licensed as a mortgage banker and mortgage broker with the Arkansas Securities Department (“Department”) since September 7, 2000.

3. Amerifund Financial posted surety bond number 83BSBCQ1748 to secure the faithful performance of its duties under the Act. This bond was canceled by Hartford Fire Insurance Company (“Hartford”) effective November 6, 2007. The Department received prior notice from Hartford and provided notice to Amerifund Financial of the impending cancellation.

4. Amerifund Financial failed to maintain a surety bond as required by the Act. The subject surety bond has not been renewed and a replacement bond has not been posted by Amerifund Financial.

5. Amerifund Financial was served with notice of the hearing on the Staff’s Request for Revocation and failed to appear.

### **Conclusions of Law**

6. A mortgage banker and mortgage broker licensed under the Act is required to post a surety bond. The surety bond shall be in a form prescribed by the Commissioner and shall run to the State for the benefit of any claimant against the licensee to secure the faithful performance of the obligations of the licensee under the Act. Ark. Code Ann. §§ 23-39-505(f)(1) and (f)(2).

7. The Commissioner may by order suspend or revoke, or refuse the license of a licensee if the Commissioner finds that the order is in the public interest, and that the licensee does not meet the bond requirements of the Act. Ark. Code Ann. §§ 23-39-514(a)(1) and (a)(2)(H).

8. Amerifund Financial's failure maintain a surety bond is a violation of Ark. Code Ann. § 23-39-505(f). This failure poses a risk to the public; therefore, revocation of Amerifund Financial's license is in the public interest.

**Order**

IT IS HEREBY ORDERED that the mortgage banker and mortgage broker license of Amerifund Financial is hereby revoked.

Amerifund Financial may seek a review of this Order by filing a written petition with the Circuit Court of Pulaski County, Arkansas within sixty days after entry of this Order pursuant to Ark. Code Ann. § 23-39-515.



A. Heath Abshure  
Arkansas Securities Commissioner

May 6, 2008  
Date