

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

---

**IN THE MATTER OF**

**ORDER NO. C-03-015-03-FO01**

**UNITED MORTGAGE CONSULTANTS, INC.  
LITTLE ROCK, AR**

---

**FINAL ORDER TO CEASE AND DESIST AND  
REVOCAION OF MORTGAGE LOAN COMPANY  
REGISTRATION CERTIFICATE**

A hearing was held before the Arkansas Securities Commissioner Michael B. Johnson (hereinafter referred to as "Commissioner") on May 11, 2003. Mr. Dennis Alexander appeared and testified on behalf of United Mortgage Consultants, Inc. (hereinafter referred to as "United Mortgage"). Securities Examiner Supervisor Rhys Rogers testified on behalf of the Arkansas Securities Department. The Securities Department was represented by Mike Spades, Jr. Upon a review of the exhibits, pleadings, and testimony of the witnesses, the Commissioner finds that:

**FINDINGS OF FACT**

1. A Cease and Desist Order and Revocation of Mortgage Loan Company Registration Certificate (Order No. C-03-015-03-CD01) was entered against United Mortgage on April 17, 2003. United Mortgage was ordered to cease and desist from engaging in all mortgage loan and loan brokering activities including advertising, offering and conducting mortgage loan company and loan brokering business. The Order concluded that United Mortgage had failed to maintain a

\$35,000.00 surety bond in accordance with **Ark. Code Ann. § 23-39-304(a)(1)**, and that its registration certificate was revoked.

2. On May 7, 2003, Mr. Dennis Alexander, President of United Mortgage, requested a hearing on the April 17, 2003 Order.
3. On May 1, 2003, United Mortgage submitted an application for renewal of registration to the Arkansas Securities Department, accompanied by a check for \$150.00.
4. Upon a review of the pleadings, exhibits and testimony of the witnesses, the Commissioner finds that the surety bond of United Mortgage was cancelled effective April 12, 2003.
5. The Commissioner finds that United Mortgage has failed to submit a replacement surety bond to the Securities Department.

#### **CONCLUSIONS OF LAW**

6. The Commissioner is charged with the administration and enforcement of the Arkansas Mortgage Loan and Loan Brokers Act pursuant to **Ark. Code Ann. § 23-39-201**.
7. **Ark. Code Ann. § 23-39-304(a)(1)** requires each mortgage loan company to deposit a \$35,000.00 corporate surety bond with the Commissioner.
8. **Ark. Code Ann. § 23-39-307(a)(3)** provides for revocation of a registration if the company does not conduct its business in accordance with law or has violated any provision of the Act.

### Opinion

9. This matter has been properly brought before the Commissioner in accordance with **Ark. Code Ann. § 23-39-201**. The failure of United Mortgage to maintain a \$35,000.00 surety bond in accordance with **Ark. Code Ann. § 23-39-304(a)(1)** is a violation of the Mortgage Loan Act.
10. The Commissioner should revoke the registration certificate of United Mortgage pursuant to **Ark. Code Ann. § 23-39-307(a)(3)**. The Commissioner finds that United Mortgage shall cease and desist from all mortgage loan brokering activities.
11. This order is in the public interest

### ORDER

IT IS HEREBY ORDERED that the Cease and Desist Order and Revocation of Mortgage Loan Company Registration Certificate entered April 17, 2003 shall hereby become final. The registration certificate of United Mortgage remains revoked, and the company shall cease and desist from engaging in all mortgage loan brokering activity.

It should be noted that on May 1, 2003, United Mortgage submitted a renewal application with the payment of \$150.00 renewal fee. The Commissioner orders that the renewal application may not be considered by the Securities Department staff. Should United Mortgage submit a new application for registration as a mortgage loan company, the \$150.00 previously submitted shall be credited toward the \$250.00 registration fee. This Order shall not be construed as a recommendation that any

subsequent registration application be approved or disapproved by the Securities Department staff.

A handwritten signature in black ink, appearing to read "M. Johnson". The signature is fluid and cursive, with the first letter "M" being particularly large and stylized.

---

MICHAEL B. JOHNSON  
ARKANSAS SECURITIES COMMISSIONER

May 22, 2003

---

Date