

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF  
MARK G. JACKSON,  
LOAN OFFICER'S LICENSE NO. 15600,  
an employee of Kingridge Financial  
Mortgage**

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**ORDER NO. C-04-089-04-OR01**

**RESPONDENT**

**ORDER SUSPENDING LOAN OFFICER LICENSE**

The staff of the Arkansas Securities Department, (hereinafter referred to as the "Securities Department staff") has obtained evidence indicating that Mark Gregory Jackson, (hereinafter referred to as "Respondent"), submitted false and misleading material information to the Arkansas Securities Commissioner, (hereinafter referred to as "the Commissioner"), in an application for a loan officer license. A summary of the evidence compiled by Securities Department staff, the pertinent legal issues, the Commissioner's opinion, and an order are discussed below.

**FINDINGS OF FACT**

1. The Arkansas Fair Mortgage Lending Act, (hereinafter referred as "FMLA"), became effective January 1, 2004. The FMLA requires that

any person employed as a loan officer with a registered mortgage loan company be licensed with the Securities Department by July 1, 2004.

2. Respondent is an employee of Kingridge Financial Mortgage Company, a licensed mortgage loan company authorized to do business in Arkansas, located in Little Rock at 7515 Geyer Springs Road, Suite 8. Respondent submitted his loan officer license application to the Arkansas Securities Department on or about April 28, 2004.
3. In his application, Respondent answered a series of questions, including questions (6) (a) through (6)(f). Respondent gave negative responses to each question. Question 6 (a) of the application asks:

**“Have you ever been convicted of a crime punishable by one or more years imprisonment?”**

Respondent answered “No”.

4. Respondent signed the application in the presence of a notary public on April 27, 2004. Directly above the signature line of the application, the following paragraph appears with emphasis:

**I hereby swear or affirm that I have reviewed this application and the accompanying information submitted herein, and that that the information contained therein is true, accurate, correct and complete to the best of my knowledge. I understand that the submission of false information to the Arkansas Securities Commissioner could result in the revocation or suspension of my license. I understand that it is unlawful pursuant to Section 23-39-516(a) of the Arkansas Fair Mortgage Lending Act for any person to make or cause**

**to be made, in any document filed with the Arkansas Securities Commissioner, any statement that is, at the time and in light of the circumstances under which it is made, false or misleading in any material respect. Further, I understand that making or causing to be made a false or misleading statement as described above, if made willfully in a document filed with the Arkansas Securities Commissioner, is a Class B felony pursuant to Ark. Code Ann. Section 23-39-516(b), and carries a penalty of imprisonment of not less than five (5) years nor more than twenty (20) years imprisonment.**

5. Securities Department staff reviewed the license application of Respondent, and the application was approved on June 17, 2004.
6. Securities Department staff recently received information that Respondent had previously been convicted of a felony offense. A subsequent review of the public documents on file with the Clerk of the United States District Court, Eastern District of Arkansas, revealed the following facts:
  - a) On or about April 9, 1997, the grand jury for the U.S. District Court returned a nine-count indictment against Respondent. Counts 1 through 5 of the indictment alleged the structuring of financial transactions to avoid currency transaction reporting requirements, in violation of Title 31, United States Code, Section 5324 (3), punishable by not more than 10 (ten) years imprisonment. Count 6 of the indictment alleged conspiracy to commit money laundering, in violation of Title 18, United States Code, Section 1956(h), punishable by not more than 10 (ten) years

imprisonment. Counts 7 through 9 of the indictment alleged that Respondent had engaged in monetary transactions with property derived from specified unlawful activity, in violation of Title 18, United States Code, Section 1957, punishable by not more than 10 (ten) years imprisonment.

(b) A nine count superceding indictment alleging the same violations was returned by the grand jury on December 12, 1997. The superceding indictment appears to have been returned for the purpose of correcting certain errors in the original indictment pertaining to a co-defendant.

(c) On or about December 22, 1997, Respondent entered into a plea agreement with the United States Attorney's office, wherein he agreed to plead guilty to counts 1 (one) through 5 (five) of the indictment.

(d) On or about December 29, 1997, Respondent appeared before the Honorable Susan Webber Wright, United States District Judge for the Eastern District of Arkansas. In open court, Respondent formally changed his plea to "guilty" on counts 1 (one) through 5 (five) of the indictment. In exchange for the guilty pleas, and pursuant to the plea agreement, the Assistant U.S. Attorney moved to dismiss counts 6 (six) through 9 (nine) of the indictment. Upon acceptance of Respondent's guilty plea, the Court dismissed the remaining counts.

(e) On or about April 17, 1998, Respondent appeared for a sentencing hearing before Judge Wright. On that date, a Judgment was entered sentencing Respondent to a term of two years probation on each count, to run concurrently with each other. The Court ordered Respondent to perform 200 hours of community service during his term of probation, and to pay a criminal monetary penalty assessment in the sum of \$250.00. **(Case No. 4:97CR00061-001; U.S.D.C., E.D. Ark.)**.

7. A comparison of Respondent's loan officer license application and the Judgment entered by Judge Wright, revealed the following:

(a) In his license application, Respondent represented that his social security number is "**XXX-XX-XXXX**", and that his date of birth is "**November 4, 1956**".

(b) The April 17, 1998 Judgment reflects that Respondent's true social security number is "**XXX-XX-XXXX**", and that his actual date of birth is "**November 14, 1956**".

### **CONCLUSIONS OF LAW**

8. The FMLA defines a loan officer as an individual, who in exchange for compensation as an employee of a mortgage broker or mortgage banker licensed under the act, solicits, accepts, or offers to accept applications for a mortgage loans. **Ark. Code Ann. § 23-39-502(a)**. The FMLA

requires all mortgage loan officers in Arkansas to be licensed with the Arkansas Securities Department. **Ark. Code Ann. § 23-39-503(a)(1)**. To obtain a license, an application must be submitted to the Securities Commissioner. The application shall include the applicant's name, address, social security number, and disclosure of any felony convictions. **Ark. Code Ann. § 23-39-505(a)(1), (3)(A) and (D)(ii)(c)**.

9. It is unlawful for any person to make a false or misleading statement in a document filed with the Commissioner. **Ark. Code Ann. § 23-39-516(a)**. Willful submission of a false or misleading material statement to the Commissioner is a class B felony. **Ark. Code Ann. § 23-39-516(b)(1)(B)**. The Commissioner has the statutory discretion to refer evidence of such to the appropriate prosecutorial authority. **Ark. Code Ann. § 23-39-516(d)**. The Securities Commissioner by order may deny, suspend, revoke, or refuse to issue or renew a license of a licensee or an applicant if the Commissioner finds that the order is in the public interest, and, that the person has filed an application that was materially false or misleading at the time it was made, or that the applicant is a convicted felon. **Ark. Code Ann. 23-39-514(a)(1), and (2)(A), and (C)(i)**. The Commissioner has the authority to summarily suspend the license of a

licensee pending the final determination of the issue. **Ark. Code Ann. 23-39-513 (c) (1).**

### **OPINION**

10. The Commissioner finds that on or about December 22, 1997, Respondent plead guilty to an indictment charging him with the felony offense of structuring transactions to avoid currency transaction reporting requirements in violation of Title 31, United States Code, Section 3524.(3).
11. The Commissioner finds that on or about April 17, 1998, the Honorable Susan Webber Wright sentenced Respondent to a term of two (2) years probation, pursuant to the felony convictions.
12. The Commissioner finds that on or about April 28, 2004, Respondent submitted an application for a mortgage loan officer license to the Arkansas Securities Department. Respondent's notarized signature was dated April 27, 2004. Respondent represented that he had never been convicted of a felony offense.
13. The Commissioner finds that Respondent's representation denying his past criminal history was materially false, and that Respondent knew that the representation was false at the time it was made.

14. The Commissioner finds that Respondent willfully misrepresented his social security number and his date of birth in an effort to deceive and mislead regulators, and to avoid discovery of his criminal past.

**ORDER**

WHEREFORE, Respondent's loan officer license issued June 17, 2004 is hereby summarily suspended pending a final determination of this issue.

Respondent is henceforth ordered to cease and desist from all mortgage loan brokering activities in Arkansas. All rights and privileges associated with Respondent's loan officer license are hereby suspended.

Respondent may contest this order by delivering a written request for a hearing to the Commissioner within 30 days from the date that Respondent receives notice of this order. **Ark. Code Ann. Section 23-39-514 (c) (3)**. If Respondent does not timely request a hearing, this order will remain in effect until it is nullified or vacated by the Commissioner. **Ark. Code Ann. Section 23-39-514 (c) (5)**. The Commissioner reserves the right to take any other actions authorized by law as may be deemed appropriate.

Respondent is admonished that failure to comply with this order could subject him to a civil penalty of up to \$25,000.00 per violation. **Ark. Code Ann. § 23-39-514 (b) (3) (A)**.

IT IS SO ORDERED.

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.

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Michael B. Johnson  
Arkansas Securities Commissioner

August 31, 2004

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Date