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ARKANSAS SECURITIES DEPT.

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. C-07-045

IN THE MATTER OF:

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

RESPONDENT

**REQUEST FOR REVOCATION OF LICENSE AND FOR
TEMPORARY SUSPENSION OF LICENSES PENDING HEARING**

Comes now the Arkansas Securities Department (“Department”), by and through its attorney, Karyn Tierney, and for its Request for Revocation of License and for Temporary Suspension of License Pending Hearing, states:

Administrative Authority

This matter is in connection with the issuance of a license to conduct business as a mortgage banker and as a mortgage broker pursuant to the Arkansas Fair Mortgage Lending Act (“FMLA”) and is therefore properly before the Arkansas Securities Commissioner (“Commissioner”). Ark Code Ann. § 23-39-501 *et seq.*

Respondent

1. Amerifund Financial, Inc., d/b/a Allfund Mortgage (“Amerifund Financial”) is a mortgage banker and mortgage broker company located in Tacoma, Washington. Amerifund Financial has been licensed as a “Mortgage Banker” and as a “Mortgage Broker” with the Department since September 7, 2000. The license of Amerifund Financial is scheduled to expire on June 30, 2008.

Facts to be Presented by Securities Department Staff

2. On or about September 4, 2007, the Department received a notice of cancellation from Hartford Fire Insurance Company on surety bond number (83BSBCQ1748). Department records reflect this surety bond was held by Amerifund Financial. A copy of the cancellation notice is attached hereto as “Exhibit A”.

3. The Department notified Amerifund Financial that the surety bond would be cancelled effective November 6, 2007, and that the surety bond must be replaced or reinstated prior to that time. A copy of the notice is attached hereto as “Exhibit B”.

4. The Department has not been provided with a replacement surety bond, nor has the prior surety bond been reinstated since the cancellation on November 6, 2007.

Legal Authority

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

6. The FMLA requires maintenance of a surety bond with the Department in the amount of \$50,000.00 in the case of mortgage broker and the amount of \$100,000.00 in the case of mortgage banker and mortgage servicer. Ark. Code Ann. § 23-39-505(f)(1).

7. The Commissioner has the authority to summarily suspend the license of a licensee pending final determination of the issue. Ark. Code Ann. § 23-39-514(c)(1).

Summary

For the reason set forth herein, the Department requests that a hearing be held to consider whether the license of Amerifund Financial, Inc., d/b/a Allfund Mortgage should be revoked. The Department further requests that a separate order be entered summarily suspending the license of Amerifund Financial pending a hearing on the revocation request.

Respectfully Submitted,



Karyn Tierney, Staff Attorney
Arkansas Securities Department
201 East Markham Street, Suite 300
Little Rock, Arkansas 72201
Arkansas Bar No. 2003120
Telephone: 501-324-9260

2-7-08

Date

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SECURITIES DEPT.



Notice of Cancellation/Non-Renewal

ARKANSAS SECURITIES DEPT.
201 EAST MARKHAM
HERITAGE WEST BLDG, STE 300
LITTLE ROCK, AR 72201

BOND NUMBER: 83BSBCQ1748

WHEREAS, on or about January 1, 2004 **the** Hartford Fire Insurance Company, **as**
Surety, executed its Mortgage Brokers/Bankers and Lenders - First/Second Mortgage **in the penalty of**
One Hundred Thousand **Dollars (\$ 100,000) on behalf of**
Amerifund Financial, Inc. dba All Fund Mortgage **, of**
8808 Pacific Avenue, Tacoma, WA 98444
as Principal, and in favor of ARKANSAS SECURITIES DEPT. **as Obligee.**

WHEREAS, said bond, by its terms, provides that the said Surety shall have the right to terminate its suretyship thereunder by serving notice of its election so to do upon the said Obligee, and

WHEREAS, the Surety desires to take advantage of the terms of said bond and does hereby elect to terminate its liability in accordance with the provisions thereof.

Cancelled for Underwriting Reasons
Financial condition

NOW, therefore, be it known that the Hartford Fire Insurance Company shall,

At the expiration of _____ days after receipt of this notice
 Effective 11/06/2007

consider itself released from all liability by reason of any default committed thereafter by the said Principal.

SIGNED and DATED this 29th day of August, 2007 .

Hartford Fire Insurance Company

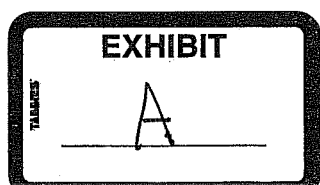
By Eugene Herrera, Attorney-in-Fact

CC: Amerifund Financial, Inc. dba All Fund Mortgage
8808 Pacific Avenue
Tacoma, WA 98444

MORTGAGE INSURANCE AGENCY LTD
1125 MITCHELL COURT

CRYSTAL LAKE, IL 60014

DNOcf(3/2004)



MIKE BEEBE
GOVERNOR

MICHAEL B. JOHNSON
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

November 29, 2007

VIA CERTIFIED MAIL

Ms. Karen Munz
Amerifund Financial, Inc.
8808 Pacific Ave.
Tacoma, WA 98444

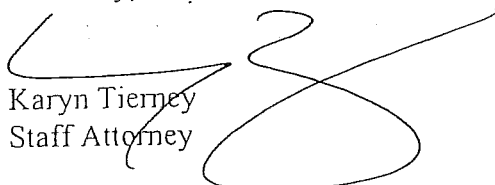
RE: Amerifund Financial, Inc. dba All Fund Mortgage
Notice of Intent to Seek Suspension of License

Dear Mr. McLaughlin,

Please see attached Notice of Intent to Seek Suspension of License regarding Amerifund Financial, Inc.'s failure to maintain a surety bond for the State of Arkansas.

If you have any questions, please contact the Securities Department at 501-324-9260.

Sincerely,


Karyn Tierney
Staff Attorney

EXHIBIT

B

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF AMERIFUND
FINANCIAL, INC. dba ALL FUND
MORTGAGE

LICENSE NO. 11449

RESPONDENT

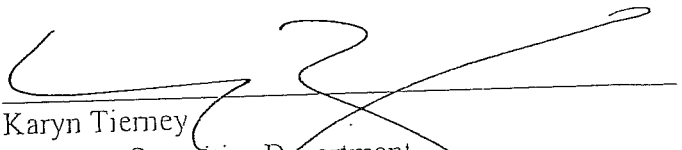
NOTICE OF INTENT TO SEEK SUSPENSION OF LICENSE

The Arkansas Fair Mortgage Lending Act (FMLA), Ark. Code Ann. § 23-39-501, *et. seq.*, became effective January 1, 2004. The FMLA requires that a mortgage broker or mortgage banker licensed in Arkansas have a corporate surety bond that remains in force at all times. Ark. Code Ann. § 23-39-505(f) (1). Any licensee that does not comply with this section shall have their license revoked due to failure to maintain the required surety bond.

The above referenced company (hereinafter referred to as "Respondent"), has failed to maintain a surety bond in the State of Arkansas. The Respondent has failed to keep a surety bond in force in violation of the FMLA. The Securities Commissioner is authorized to suspend the license of a licensee who has violated or failed to comply with any provision of the FMLA. Ark. Code Ann. § 23-39-514 (a) (B). Should Respondent fail or refuse to obtain a new bond, or provide written notice that the cancelled bond has been reinstated by **December 29, 2007**, the Securities Department legal staff will recommend and seek suspension of the license of Respondent, and will request that the Commissioner's Order of Suspension include language ordering Respondent to cease and

desist from all mortgage loan brokering, servicing, and banking activities in Arkansas until such time as compliance of the FMLA is achieved by providing a new surety bond. The staff will also request that a fine be levied against Respondent for the violations of the FMLA which it has committed.

WHEREFORE the Securities Department legal staff hereby submits its Notice of Intent to Seek Suspension of License.



Karyn Tierney
Arkansas Securities Department
201 East Markham Street, Suite 300
Little Rock, Arkansas 72201-1692
Telephone No. 501-324-9260
Arkansas Bar No. 2003120