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BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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CASE NO. C-09-064

ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

ORDER NO. C-09-064-09-C001

PERSONALIZED MORTGAGES,  
INC.

RESPONDENT

**CONSENT ORDER**

This Consent Order is entered pursuant to the Arkansas Fair Mortgage Lending Act ("FMLA"), Ark. Code Ann. §§ 23-39-501 through 23-39-518, the Rules of the Fair Mortgage Lending Act, and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-219 in accordance with an agreement by and between the Staff of the Arkansas Securities Department ("Staff") and Respondent, Personalized Mortgages, Inc., ("Personalized Mortgages") in full and final settlement of all claims that could be brought against Personalized Mortgages by the Staff on the basis of the facts set forth herein.

Personalized Mortgages admits the jurisdiction of the FMLA and the Arkansas Securities Commissioner ("Commissioner"), waives its right to a formal hearing and, without admitting or denying the findings of facts made herein or conclusions of law and in order to avoid a controversy proceeding with the Commissioner consents to the entry of this order and agrees to abide by its terms.

**FINDINGS OF FACT**

1. Personalized Mortgages is a mortgage broker and mortgage banker located in Cabot, Arkansas. According to the Arkansas Securities Department's ("Department") records, Personalized Mortgage has been licensed by the Department as a mortgage broker and mortgage

banker since March 7, 2006. Personalized Mortgage's license is scheduled to expire on December 31, 2009.

2. Edmond Langlais ("Langlais") was employed as a loan officer by Personalized Mortgages during the relevant time period when the violations detailed in this order occurred. Personalized Mortgages submitted a loan officer license application for Langlais to the Department on April 14, 2008. Langlais' loan officer license was ultimately approved and granted by the Department on April 23, 2008. However, on February 11, 2008, February 18, 2008, February 29, 2008, March 3, 2008, and April 1, 2008, while licensed with a different mortgage broker, Langlais acted outside of the scope of an "exempt person" as defined by Ark. Code Ann. § 23-39-502(9) and engaged in activities which exceeded his authority at Personalized Mortgages. All six mortgage loan applications in which Langlais was involved were accepted by Personalized Mortgages.

#### **LEGAL AUTHORITY**

3. The acts of Personalized Mortgages as described above in ¶ 2 constitutes six violations of Ark. Code Ann. § 23-39-503(b). In addition, said acts warrant the entry of an appropriate civil penalty against Respondent Personalized Mortgages, as authorized by Ark. Code Ann. § 23-39-514(b).

4. The Act prohibits a loan officer from being employed by more than one mortgage broker simultaneously. Ark. Code Ann. § 23-39-503(d)(4).

5. It is unlawful for any person, other than an exempt person, to act or attempt to act as a mortgage loan officer in Arkansas without first obtaining a license under the Act. Ark. Code Ann. § 23-39-503(b).

6. The Act permits the informal disposition of an allegation by consent order. Ark. Code Ann. § 23-39-514(k).

**CONCLUSIONS OF LAW**

7. Langlais acted outside of the scope of an "exempt person" as defined by Ark. Code Ann. § 23-39-502(9) without holding a mortgage loan officer license from the Department as detailed in ¶ 2 in violation of Ark. Code Ann. 23-39-503(a).

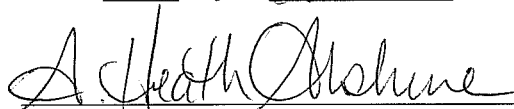
**UNDERTAKING**

In settlement of this matter, but without admitting or denying the findings of fact made above, Personalized Mortgages agrees to pay a fine in the amount of \$250.00 and Ms. Freda Joyner, Vice President of Personalized Mortgages, agrees to complete an additional eight (8) hours of continuing education in the year 2010.

**ORDER**

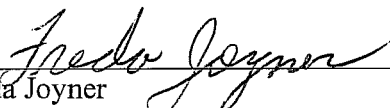
By agreement and with the consent of the Staff and the authorized representatives of Personalized Mortgages, it is hereby ordered that Personalized Mortgages shall be responsible for the payment of a civil penalty in the amount of \$250.00 to the Arkansas Securities Department within thirty days of the entry of this Consent Order. In addition, Ms. Joyner shall complete an additional eight (8) hours of continuing education in the year 2010.

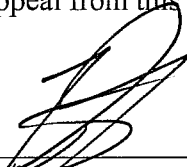
WITNESS MY HAND AND SEAL on this 7<sup>th</sup> day of December, 2009.

  
\_\_\_\_\_  
A. HEATH ABSHURE  
Arkansas Securities Commissioner

December 7, 2009  
\_\_\_\_\_  
DATE

I hereby agree to the entry of this Consent Order, and consent to all terms, conditions, and orders contained therein, and waive any right to an appeal from this order.

  
\_\_\_\_\_  
Freda Joyner  
Vice President, Personalized Mortgages, Inc.

  
\_\_\_\_\_  
Timothy Grooms  
Attorney

December 1, 2009  
Date

12/1/2009  
Date

  
\_\_\_\_\_  
Karyn Tierney  
Staff Attorney

12-7-09  
Date