

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**

**CASE NO. C-09-075**

**ORDER NO. C-09-075-09-CO01**

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ARKANSAS SECURITIES DEPT.

**IN THE MATTER OF:**

**SOUTHWEST FUNDING, LP, NMLS&R NO. 32139, AND  
MARCUS LIONEL DODSON, NMLS&R NO. 142383**

**RESPONDENTS**

**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 Arkansas 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 the Respondents, Southwest Funding, LP (“Southwest”) and Marcus Lionel Dodson (“Dodson”), in full and final settlement of all claims that could be brought against Southwest and Dodson by the Staff on the basis of the facts set forth herein.

Southwest and Dodson admit the jurisdiction of the FMLA and the Arkansas Securities Commissioner (“Commissioner”), waive its and his right to a formal hearing and, without admitting or denying liability, wrongdoing or the findings of facts made herein, consent to the entry of this order and agree to abide by its terms.

## **FINDINGS OF FACT**

1. Southwest is a mortgage broker and mortgage banker located in Dallas, Texas. Southwest is currently licensed as a mortgage banker and mortgage servicer by the Arkansas Securities Department ("Department"), NMLS&R number 32139. Southwest's Arkansas license as a mortgage broker and mortgage banker is scheduled to expire on December 31, 2009.

2. Dodson is employed by Southwest as a loan officer and branch manager of its Little Rock, Arkansas, branch office. Dodson is currently licensed as a mortgage loan officer by the Department, NMLS&R number 142383. Dodson's Arkansas mortgage loan officer's license is scheduled to expire on December 31, 2009.

3. On February 21, 2008, Dodson, as a loan officer employed by Southwest, accepted a mortgage loan application from an Arkansas resident nine (9) days prior to the issuance of his license as a mortgage loan officer. Dodson was licensed as a mortgage loan officer by the Department on February 29, 2008.

4. On November 29, 2007, Patrick Pulley ("Pulley"), as a loan officer employed by Southwest, accepted a mortgage loan application from an Arkansas resident fifteen (15) days prior to the issuance of his license as a mortgage loan officer. Pulley was licensed as a mortgage loan officer by the Department on December 14, 2007.

## **LEGAL AUTHORITY AND CONCLUSIONS OF LAW**

5. Pursuant to Ark. Code Ann. § 23-39-503(a) it is unlawful for any person located in Arkansas other than an exempt person to act or attempt to act, directly or indirectly, as a loan officer without first obtaining a license from the Securities Commissioner under this subchapter.

The acts of Dodson as detailed in ¶3 constitute a violation of Code Ann. § 23-39-503(a) by Dodson.

6. Pursuant to Ark. Code Ann. § 23-39-503(c) it is unlawful for any person other than an exempt person to employ, to compensate, or to appoint as its agent any person to act as a loan officer unless the loan officer is licensed as a loan officer under this subchapter. The acts of Southwest, Dodson and Pulley as detailed in ¶¶3-4 constitute two violations of Ark. Code Ann. § 23-39-503(c) by Southwest.

7. Pursuant to Ark. Code Ann. § 23-39-514(a)(1) the entry of this order is in the public interest.

8. Pursuant to Ark. Code Ann. § 23-39-514(k) the FMLA permits the informal disposition of an allegation by a consent order. The acts and violations of the FMLA by Southwest and Dodson as detailed in ¶¶3-4 warrant the entry of a consent order.

9. The Commissioner by order may impose a civil penalty that shall not exceed \$10,000.00 for each violation by a mortgage broker, mortgage banker, or loan officer upon a licensee or any partner, officer, director, member, manager, or other person occupying a similar status or performing a similar function on behalf of a licensee for any violation of the FMLA. Ark. Code Ann. § 23-39-514(b)(1) and (2). The acts and violations of the FMLA by Southwest and Dodson as detailed in ¶¶3-4 warrant the entry of appropriate civil penalties against Southwest and Dodson as authorized by Ann. § 23-39-514(b)(1) and (2).

### **ORDER**

By agreement and with the consent of the Staff, the authorized representative of Southwest, and Dodson, it is hereby ordered that Southwest shall be responsible for the payment

of a civil penalty in the amount of \$1,500.00 to the Department. It is also ordered that Dodson shall be responsible for the payment of a civil penalty in the amount of \$1,000.00 to the Department. The payment of said civil penalties shall be made by Southwest and Dodson to the Department within thirty (30) calendar days of the entry of this order.

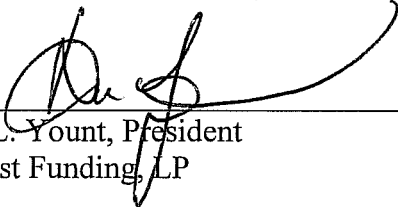
IT IS SO ORDERED.



A. Heath Abshure  
Arkansas Securities Commissioner

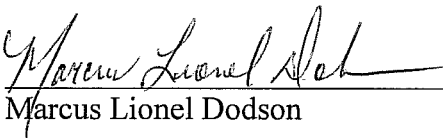
December 18, 2009  
Date

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.



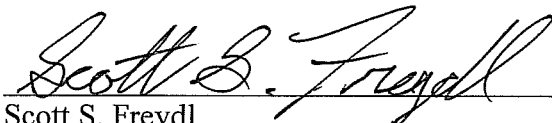
Donald L. Yount, President  
Southwest Funding, LP

12/16/09  
Date



Marcus Lionel Dodson

12/17/09  
Date

  
Scott S. Freydl  
Staff Attorney, Arkansas Securities Department

12/18/09  
Date