

**STATE OF ARKANSAS**  
**SECURITIES DEPARTMENT**

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IN THE MATTER OF

ORDER PROVIDING A

TRANSACTIONAL EXEMPTION

FROM REGISTRATION

PROGRESSIVE NATIONAL

MORTGAGE COMPANY, LLC

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ORDER NO. 98-043-S

**FINDINGS OF FACT**

1. On June 26, 1998, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offer and sale of fifteen (15) units of the thirty-one (31) outstanding limited liability company units (the "Units") of Progressive National Mortgage Company, LLC (the "Company") to John M. Luckey, (the "Transaction") be determined to be an exempt transaction pursuant to Ark. Code Ann. Section 23-42-504(a)(12).
2. The Company is a limited liability company organized under the laws of the State of Arkansas. The Company was organized on April 15, 1996 with two members, Philip Neri and the Jana Goldsby Neri Trust. After a return of capital to its members in June 1997, Philip Neri held 16 Units and the Jana Goldsby Neri Trust held 15 Units. Immediately thereafter, the 15 Units held by the Jana Goldsby Neri Trust were transferred to its sole beneficiary, Jana Goldsby Neri (the "Seller"). Such sale was effected pursuant to an order of the Arkansas Securities Commissioner providing a transactional exemption from registration, Order No. 97-070-S.
3. The Buyer will be John M. Luckey, an employee of the Company (the "Buyer").
4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. Section 23-42-504(a)(12). The Seller and the Buyer have been involved in the negotiation of an agreement for the sale of the Units. The Units have been held by the Seller and the Jana Goldsby Neri Trust for over two (2) years. The Buyer has had access to financial and other information concerning the Company as is necessary to make an informed investment decision. Based upon the foregoing, the Transaction is not the type the Arkansas Securities Act (the "Act") is designed to protect by requiring registration.

**CONCLUSIONS OF LAW**

5. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 23-42-501 and 23-42-502 of the Act as not being necessary or appropriate in the public interest for the protection of investors.
6. It is not necessary or appropriate in the public interest for the protection of investors for the Seller to be required to register the Transaction under the Act for the purposes of the contemplated offering.
7. It is not necessary or appropriate in the public interest for the protection of investors for the Seller to be required to engage the services of a registered agent for the purpose of making

sales of the Company's securities.

**OPINION**

- 8. In recognition of the representations made by the Seller, it appears registration of this offering of Units is unnecessary in this instance.
- 9. This order does not exempt the Seller from the antifraud provisions of the Act.

**ORDER**

IT IS THEREFORE ORDERED that any securities of the Company offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of June 24, 1998, and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this \_\_\_\_\_ of June, 1998.

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MAC DODSON

SECURITIES COMMISSIONER