

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER  
CASE NO. S-26-0031  
ORDER NO. S-26-0031-26-OR01**

**IN THE MATTER OF:**

**KARA M. SMITH**

**APPLICANT**

**ORDER APPROVING LIMITED AGENT REGISTRATION**

This Order is entered pursuant to the Arkansas Securities Act, codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), the Rules of the Arkansas Securities Commissioner (“Rules”), 23 CAR §§ 300-101 through 300-609, and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-101 through 25-15-221.

**FINDINGS OF FACT**

1. On May 26, 2026, Kara Smith (“Smith”) submitted an application to become a registered agent of the issuer for the Board of Church Extension of Disciples of Christ Inc. (“BCE”) (“the Issuer”).
2. Smith, an officer, director, or employee of the Issuer, petitioned the Arkansas Securities Commissioner (“Commissioner”) to waive the Securities Industry Essentials Examination (“SIE Exam”) and the specialized knowledge examination requirements for their registration as an agent of the Issuer. Smith executed an affidavit attesting to the facts in this Order attached hereto as Exhibit A.
3. On October 25, 2025, Smith passed the Series 63 Uniform Securities Agent State Law Exam.
4. Smith has never been registered with the Arkansas Securities Department in any capacity.

5. The Issuer is a church extension fund and a charitable organization pursuant to Section 501(c)(3) of the Internal Revenue Code.

6. Smith, as an officer, director, or employee of the Issuer, performs significant functions for the Issuer other than effecting or attempting to effect the sale of securities.

7. Smith represents only the Issuer in effecting or attempting to effect sales of securities and will offer and sell only securities issued by the Issuer.

8. Smith will sell securities offered by the Issuer to a limited class of investors in connection with a church extension fund.

9. Smith will receive no compensation or similar remuneration either directly or indirectly in connection with the offer and sale of the Issuer's securities.

#### **CONCLUSIONS OF LAW**

10. Pursuant to Ark. Code. Ann. § 23-42-302(a)(2), the Commissioner may by order approve a limited agent registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate.

11. In order to be registered as an agent, the Rules require that an agent pass the SIE Exam and a specialized knowledge exam appropriate to their job function. 23 CAR § 300-302(c)(2)(B). In addition, the Rules state that “[a]gent applicants must also pass the Series 63 or Series 66 exam that addresses state law.” 23 CAR § 300-302(c)(2)(C).

12. Pursuant to Rules, the Commissioner may waive any or all of the examination requirements for registration as an agent of the issuer based upon the limited time, amount, or nature of the issue or transaction involved, or the specific circumstances unique to the applicant. 23 CAR 300-302(c)(7).

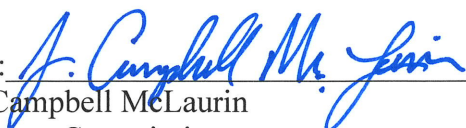
13. Based upon the representations made by Smith, it is appropriate to waive the SIE Exam and specialized knowledge exam requirements and approve a limited registration as an agent of the issuer.

**ORDER**

IT IS THEREFORE ORDERED that the application of Kara Smith for registration as an agent of BCE is hereby approved as a limited registration provided that Smith only represent BCE in effecting or attempting to effect sales of securities and that they are not and will not be compensated in connection with the offer and sale of BCE securities by the payment of commissions or other remuneration that is based on transactions in securities. The limited registration is effective until December 31, 2026, unless properly renewed.

WITNESS MY HAND this 11<sup>th</sup> day of June ~~X~~, 2026.

SUSANNAH T. MARSHALL  
ARKANSAS SECURITIES COMMISSIONER

By:   
\_\_\_\_\_  
J. Campbell McLaurin  
Deputy Commissioner  
Arkansas Securities Department  
1 Commerce Way, Suite 402  
Little Rock, Arkansas 72202



BEFORE THE ARKANSAS SECURITIES COMMISSIONER

IN THE MATTER OF:  
Kara Smith, Applicant

AFFIDAVIT

BEFORE ME, the undersigned authority, on this day personally appeared Kara Smith, who being of sound mind and legal age, and after being duly sworn, deposes and states as follows:

1. I, Kara Smith, as a Financial Services Specialist at the Board of Church Extension of Disciples of Christ, Inc. ("BCE"), petition the Arkansas Securities Commissioner to waive the Securities Industry Essential and FINRA specialized knowledge examination requirement under Rule 302.01(c)(1) for my registration as agent of BCE.

2. On or about October 25, 2025, I passed the Series 63 examination.

3. I am currently successfully registered as an agent of the issuer in the following states: Alabama, Delaware, Maryland, Nebraska, Nevada, New Jersey, Oklahoma, Oregon, Utah, and Virginia. I am in the process of becoming registered in the following additional states and territories, in addition to Arkansas: Puerto Rico, Washington and West Virginia.

4. BCE was incorporated in Indiana as a nonprofit corporation in 1933, with its principal offices located in Indianapolis, Indiana, and is a charitable organization pursuant to Section 501(c)(3) of the Internal Revenue Code. One of BCE's primary purposes is to support the creation of new mission churches, as well as the continued support of its established churches. Historically, BCE has been the principal organization responsible for the church extension functions of the Christian Church (Disciples of Christ). In furtherance of this purpose, BCE offers and sells its Notes, the proceeds of which are used primarily for loans at lower than prevailing market interest rates to church organizations to finance their capital improvement projects, including church buildings and related structures. BCE assists church organizations in planning and financing their capital expansion projects, providing comprehensive planning and financing service programming, including such special services as general counseling, fundraising,

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consulting services with church organizations, lending, site selection, study-research counseling, team counseling, liturgical design counseling and architectural counseling.

5. I am an officer, director, or other employee of BCE who performs significant functions for BCE other than effecting or attempting to effect the sale of securities. I have gained significant experience with and am adequately qualified to transact BCE's business in Arkansas, as I do in numerous other states, and respectfully request that I not be required to take an additional Series examination to be permitted to be registered as an agent in Arkansas.

As a Financial Services Specialist, one of my roles is to assist the Vice President of Investor Services and Securities Compliance in administering the functions of the Investor Services area. This includes providing excellent customer service to our investors, co-workers and to ensure that the Issuer is compliant with securities regulations. As opportunities arise, I discuss our investment options with potential organizational and individual investors.

As an agent of the issuer, I participate in ongoing annual training with respect to the Patriot Act and securities best practices. In addition to the studying I did to pass the Series 63 exam, I received hands-on training and completed extensive shadowing with registered agent Raudel C. Arteaga to study daily investment transactions, such as the purchasing of new notes and redeeming matured investments. I also completed trainings with Rhonda Hopewell, Vice President of Investments and Securities Compliance, that covered securities policy and procedure. The Issuer provides ongoing training centered around anti-money laundering, internal controls, and securities updates.

6. I represent only BCE in effecting or attempting to effect sales of securities and will offer and sell only securities issued by BCE.

7. BCE's offering as a religious nonprofit corporation is limited in nature, in that it is restricted to its limited class of investors pursuant to its offering circular. Therefore, I only will sell securities to a limited class of investors in connection with this church extension fund. BCE is exempt from registration with the SEC under Section 3(a)(4) of the federal Securities Act of 1933.

8. ***It is the practice of BCE that all transactions by its agents are reviewed and approved by another registered agent before processing.***

9. I will receive no compensation or similar remuneration either directly or indirectly in connection with the offer and sale of BCE securities.

10. I swear and affirm that I know the contents of this affidavit signed by me and that the statements are true and correct.

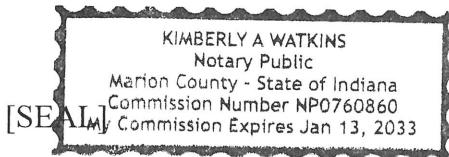
DATED this 11 day of May, 2026.

Kara Smith  
Kara M. Smith

STATE OF Indiana )  
COUNTY OF Marion )

SUBSCRIBED AND SWORN TO before me, a Notary Public, on this 11 day of May, 2026.

Kimberly A. Watkins  
NOTARY PUBLIC



My commission expires: 1/13/2033