

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

IN THE MATTER OF:)
) No. 2011-MBR-29
COUNTRYSIDE MORTGAGE, LLC)
License No. MB.6760522)
ATTN: Daniel Shenderovich)
401 S. Milwaukee Avenue, Suite 295)
Wheeling, IL 60090)

ORDER REVOKING LICENSE & ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“DOB”), having reviewed and examined the activities of Countryside Mortgage, LLC, (“Countryside Mortgage”) and documented violations of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this order for violations of the Act and Rules.

STATUTORY PROVISIONS

1. Section 2-6 of the Act provides in relevant part:

It is the responsibility of each licensee to accomplish renewal of its license. A license which is not renewed by the date required in this Section shall automatically become inactive. No activity regulated by this Act shall be conducted by the licensee when a license becomes inactive. A licensee ceasing an activity or activities regulated by this Act and desiring to no longer be licensed shall so inform the Commissioner in writing and, at the same time, convey the license and all other symbols or indicia of licensure. The licensee shall include a plan for the withdrawal from regulated business, including a timetable for the disposition of the business, and comply with the surrender guidelines or requirements of the Commissioner.

2. Section 3-5 of the Act requires a residential mortgage broker to maintain at all times a net worth of not less than \$50,000.
3. Section 4-2(d) of the Act states that the expenses of any examination of a licensee shall be borne by the licensee and assessed by the Commissioner as established by regulation.
4. Section 4-5(h)(1) of the Act provides that when the Commissioner finds any person in violation of the grounds set forth in subsection (i), the Commissioner may enter an order imposing the penalty of revocation of license.
5. Section 4-5(h)(5) of the Act provides that when the Commissioner finds any person in violation of the grounds set forth in subsection (i), the Commissioner may enter an order

imposing a fine not to exceed \$25,000 for each count of separate offense.

6. Section 4-5(i) (11) of the Act provides that failure to comply with any order of the Commissioner or rule made or issued under the provisions of this Act shall constitute grounds for disciplinary actions in Section 4-5(h) of the Act.
7. Section 4-5(i) (13) of the Act provides that failure to pay in a timely manner any fee, charge or fine under this Act is ground for disciplinary actions in Section 4-5(h) of the Act.
8. Section 4-5(i) (17) of the Act provides that failure to comply with or violation of any provision of this Act shall constitute grounds for disciplinary actions in Section 4-5(h) of the Act.
9. Section 1050.210(d) of the Rules provides that the DOB shall bill at the rate of \$510 per examiner day for any time expended in conducting any examination of the affairs of any licensee. Examination fees as billed by the DOB must be paid within 30 days after receipt of the billing.
10. Section 1050.480 states that at least 10 days before the proposed effective date an address change, a licensee shall file with the Director a completed application for change of address.

FACTUAL FINDINGS

11. The DOB examined Countryside Mortgage for the period 02/14/2008 to 09/30/2010.
12. The DOB issued a Report of Examination (“ROE”) on or around 04/18/2011 finding that Countryside Mortgage failed to comply with the minimum net worth statutory requirement. Contemporaneously, the DOB’s Examination Section also billed Countryside Mortgage \$850 for the examination.
13. The DOB’s Examination Section assigned Countryside Mortgage to the DOB’s Supervision Section for correction of violations found in the ROE, including failure to maintain minimum net worth.
14. The DOB’s Supervision Section referred Countryside Mortgage for enforcement due to Countryside Mortgage’s failure to complete supervision and for cited violations;
15. The DOB’s Legal Section confirmed that Countryside Mortgage, License No. MB.6760522 was inactive and not in proper licensing status due to failure to submit a revised surety bond as required for compliance with the Act and Rules and pursuant to the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008.
16. On August 9, 2011, the DOB’s Legal Section mailed to Countryside Mortgage via U.S. first-class and certified mail service a Potential Disciplinary Letter and on August 26, 2011, the DOB received back from the U.S. Postal Service the U.S. first-class and certified letter “Return to Sender – Not Deliverable as Addressed – Unable to Forward.”

LEGAL CONCLUSIONS

17. Countryside Mortgage violated Sections 2-6, 3-5, 4-2(d), 4-5(i) (11), (13) & (17) of the Act and Sections 1050.210(d) and 1050.480 of the Rules.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The Department **REVOKES** Countryside Mortgage, LLC, License No. MB.6760522 pursuant to Section 4-5(h) (1) of the Act.
2. The Department assesses a **FINE** against Countryside Mortgage Services, LLC, License No. MB.6750522, in the amount of ten thousand dollars (\$10,000) for violating the Act and Rules pursuant to Section 4-5(h) (5) of the Act. The fine is payable by certified check or money order within thirty (30) days of the effective date of this order to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: FISCAL DIVISION
320 West Washington, 6th Floor
Springfield, IL 62786**

ORDERED THIS 30TH DAY OF SEPTEMBER, 2011

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
BRENT E. ADAMS, SECRETARY

DIVISION OF BANKING

MANUEL FLORES, DIRECTOR

You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code 1050.1510 et seq. any party may file a request for a hearing on an administrative decision. The request for a hearing and \$500 hearing fee (certified check/money order) shall be filed at 320 W. Washington, Springfield, IL 62786, within 10 days after the receipt of an administrative decision. The request for hearing must include an explicit admission, denial or appropriate response to each allegation or issue contained in the administrative decision pursuant to 38 Ill. Adm. Code 1050.1570. A hearing shall be held on the administrative decision by the Department of Financial and Professional Regulation, Division of Banking. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 et seq.].