

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

IN THE MATTER OF:)
)
United Federal Mortgage)
823 Delta Avenue)
Cincinnati, Ohio 45226)
_____)

No. 2007-DB-06

ORDER TO CEASE AND DESIST

The SECRETARY OF THE DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION (“Secretary”), hereby issues to United Federal Mortgage this ORDER TO CEASE AND DESIST ("Order"). This Order is authorized by and issued pursuant to the provisions of Section 46(d) of the Illinois Banking Act [205 ILCS 5/46(d)] (the “Act”).

FINDINGS

The Secretary is of the opinion and finds as follows:

1. United Federal Mortgage, a business entity located at 823 Delta Avenue, Cincinnati, Ohio has engaged in a marketing program designed to solicit prospective Illinois customers in a mortgage refinancing program, (the “Program”);
2. As part of the Program, United Federal Mortgage, delivered or caused to be delivered certain solicitation materials to a customer of an Illinois state-chartered bank;
3. These solicitation materials specifically identify or use a name similar to that of the referenced Illinois state-chartered bank;
4. Section 46(d) of the Act provides that unless otherwise expressly permitted by law, no person, firm, partnership or corporation may use a name similar to that of an existing Illinois state-chartered bank when marketing to or soliciting business from customers if the similar name is used in a manner that could cause a reasonable person to believe that the marketing materials or solicitation originated from or is endorsed by the existing

Illinois state-chartered bank or that the existing Illinois state-chartered bank is in any way responsible for the marketing or solicitation materials;

5. United Federal Mortgage has utilized a name similar to that of an existing Illinois state-chartered bank when marketing to or soliciting business from customers and the similar name is used in a manner that could cause a reasonable person to believe that the marketing materials or solicitation originated from or is endorsed by the previously referenced Illinois state-chartered bank or that the existing Illinois state-chartered bank is responsible for the marketing or solicitation materials. Specifically, the marketing or solicitation materials were delivered to an established customer of the Illinois State-chartered bank whose name is similar to that used in the United Federal Mortgage marketing or solicitation materials; and
6. The Illinois state-chartered bank whose name is similar to that used in the United Federal Mortgage Program marketing or solicitation materials did not originate or endorse these marketing or solicitation materials.

CONCLUSIONS

BASED ON THE ABOVE FINDINGS, THE SECRETARY IS OF THE OPINION AND CONCLUDES that United Federal Mortgage has violated the provisions of Section 46(d) of the Act.

ORDER

BASED ON THE FINDINGS AND CONCLUSIONS STATED ABOVE, IT IS HEREBY ORDERED:

United Federal Mortgage shall CEASE AND DESIST from using the name of any existing Illinois state-chartered bank or any similar name of an existing Illinois state-chartered bank in connection with marketing or solicitation materials.

IT IS HEREBY FURTHER ORDERED:

This ORDER shall be effective on the date it is signed and the provisions of this ORDER shall remain effective and enforceable except to the extent that, and until such time as, any provisions

of this ORDER shall have been modified, terminated, suspended or set aside by the Secretary, or a court of competent jurisdiction.

DATED THIS NINETEENTH DAY OF MARCH 2007.

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION of the State of Illinois;

By:

DEAN MARTINEZ
Secretary

You are hereby notified that this Order is an administrative decision. Pursuant to 38 Ill. Adm. Code, Section 392, any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held within thirty (30) days after the receipt by the Director of Banking of a request for a hearing. Absent a request for hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law, [735 ILCS 5/3-101].