

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2006-MBR-40
ADVOCATE FINANCIAL SERVICES, INC.)
ATTN: Mr. Dayton Vickers-Ellis)
1907-1909 W. Foster Avenue)
Chicago, IL 60640)

ORDER SUSPENDING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (the "Department"), having conducted an examination of the facts related to Advocate Financial Services Inc., 1907-1909 W. Foster Avenue, Chicago, Illinois, 60640, (the "Licensee"), and having found that the Licensee committed a violation of the Residential Mortgage License Act of 1987 [205 ILCS 635] (the "Act"), and of the rules promulgated under the Act [38 Ill. Adm. Code 1050], (the "Rules") hereby issues this ORDER pursuant to the authority provided under Section 4-5 of the Act. The Department makes the following:

FINDINGS

1. That Advocate Financial Services Inc., is an Illinois residential mortgage licensee holding license No. MB.0006028 and located at 1907-1909 W. Foster Avenue, Chicago, Illinois, 60640;
2. That on January 24, 2005, the Department conducted an examination of Licensee and the examiner found several violations;
3. That on April 18, 2005, the Department sent to Licensee a Report of Examination and Letter of Supervision via U.S. first class mail service, with a request for a scheduled supervisory meeting to be held on May 3, 2005;
4. That on May 3, 2005 the Department held its supervisory meeting with Licensee;
5. That on May 6, 2005 the Department sent to Licensee a letter via U.S. first class mail service, in regards to the scheduled supervisory meeting held and that a response due date of May 27, 2005 was given;
6. That on June 17, 2005 Department sent to Licensee a letter via U.S. first class mail service, in regards to the scheduled supervisory meeting held and that a penalty fee of \$1,050 had accrued at a rate of \$50.00 per day and that a response due date of June 28, 2005 was given;

7. That on June 24, 2005 the Department received a phone call from Licensee, indicating the overdue response letter was received, but did not receive the letter dated May 6, 2005, that the Department faxed a copy of the letter on June 24, 2005 to licensee;
8. That on June 28, 2005, the Department received a written response from Licensee regarding the materials that were requested by the Department;
9. That August 18, 2005, the Department sent to Licensee an additional letter via U.S. first class mail service in regards to the response received from Licensee, and that a written response due date of September 2, 2005 was given;
10. That on September 6, 2005, the Department received a written response from Licensee regarding the materials that were requested by the Department;
11. That on November 22, 2005, the Department sent an additional letter via U.S. first class mail service in regards to the response received from Licensee, and that a written response due date of December 6, 2005 was given;
12. That on December 6, 2005, the Department received a written response from Licensee regarding the materials that were requested by the Department;
13. That on December 7, 2005, the Department sent an additional letter via U.S. first class mail service in regards to the response received from Licensee, and that a written response due date of December 21, 2005 was given;
14. That on December 23, 2005, the Department sent an additional letter via U.S. first class mail service in regards to the response received from Licensee via a fax, and that the Department advised Licensee that the information faxed was not sent in its entirety;
15. That on January 9, 2006, the Department sent an additional letter via U.S. first class mail service in regards to the response received from licensee, and that a written response due date of March 31, 2006 was given;
16. That on March 17, 2006, the Department sent an additional letter via U.S. first class mail service requesting a response from licensee on or before March 24, 2006;
17. That on September 26, 2006, the Department sent a Potential Refusal to Renew Disciplinary Action letter via U.S. first-class mail service, and U.S. certified mail advising Licensee of its failure to comply with the Act and Rules as described in the letter;
18. A return receipt card evidencing receipt of such was received by the Department on October 3, 2006;
19. That Licensee made contact with the Department via telephone conversation on September 29, 2006, and the Department indicated to Licensee that the information/documentation was being sent to Licensee and the Department supplied a fax copy to Licensee;

20. That on September 29, 2006, the Department received a written response from Licensee via a hand-delivered letter dated September 29, 2006;
21. That on October 3, 2006, Licensee left message with the Department, and on October 5, 2006, Licensee contacted the Department, and the Department advised Licensee that the documentation submitted on September 29, 2006, would be given to the appropriate area in our Division, but it did not address the issues in the Potential Refusal to Renew Disciplinary Letter;
22. That on October 6, 2006, the Department received a written response from Licensee via fax and also a hand-delivered letter dated October 5, 2006;
23. That on October 10, 2006, Licensee made contact with the Department via telephone conversation, and the Department advised Licensee that a letter will be going out advising Licensee as to the requests Licensee submitted in Licensee's previous letters to the Department;
24. That the Licensee has repeatedly failed to provide the requested information and/or documentation due by the due dates requested by the Department, and additionally includes Licensee's failure to submit to the Department Licensee's 2005 audited financial statements due March 31, 2006; and
25. That the Licensee has failed to provide the requested information/documentation requested by the Department.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

Notwithstanding notices and other efforts by the Department, Licensee has violated Section 3-5 of the Act by failing to comply with Net Worth Requirements.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that the license of ADVOCATE FINANCIAL SERVICES, INC., License No. MB.0006028 is suspended by Order of the Department pursuant to Section 4-5(h)(2) of the Act for failure to comply with the provisions cited herein of the Act and Rules, effective ten days after receipt of this Order, unless you request a hearing pursuant to the RMLA and Subpart N of the Rules, including remitting the hearing fee required by Section 1050.270 of the Rules.

ORDERED THIS 16th DAY OF OCTOBER 2006

DEPARTMENT OF FINANCIAL
AND PROFESSIONAL REGULATION,
DIVISION OF BANKING,
of the State of Illinois;
DEAN MARTINEZ, SECRETARY
D. LORENZO PADRON, DIRECTOR

REYNOLD M. BENJAMIN
Assistant Director
Bureau of Residential Finance, Division of Banking

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 shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held within 30 days after the receipt by the Department of Financial and Professional Regulation, Division of Banking of a request for a hearing. 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.*].