

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

IN THE MATTER OF:)
)
BOARDWALK FINANCIAL SERVICES, INC.) No. 2006-MBR-57
ATTN: Mr. Kenneth Ochala)
621 Plainfield Road)
Willowbrook, IL 60527)

ORDER SUSPENDING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (the "Department"), having conducted an examination of the facts related to Boardwalk Financial Services, Inc., 621 Plainfield Road, Willowbrook, Illinois 60527, (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 Boardwalk Financial Services, Inc. is an Illinois residential mortgage licensee holding license No. MB.0005360 and located at 621 Plainfield Road, Willowbrook, Illinois 60527;
2. That on May 2, 2005, the Department conducted an examination of Licensee and the examiner found several violations;
3. That on May 23, 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 on June 22, 2005;
4. That on June 22, 2005, the Department held its scheduled supervisory meeting with Licensee;
5. That on June 22, 2005, the Department sent a letter to Licensee via U.S. first-class mail service, advising Licensee that the written response submitted to the Department and supporting documentation was a partial response, and that additional written responses should be submitted on or before July 13, 2005;
6. That on June 23, 2005, the Department sent an addendum to the June 22, 2005, letter to Licensee via U.S. first-class mail service, advising Licensee that additional

information/documentation is being requested and the due date for submission is still on July 13, 2005;

7. That on July 31, 2005, per a phone conversation Licensee requested an extension to submit the information/documentation to the Department, and that the Department granted the extension and a response due date of July 20, 2005 was given;
8. That on July 20, 2005, the Department received a written response from Licensee, but the response was insufficient;
9. That on October 3, 2005, the Department sent a letter to Licensee via U.S. first-class mail service, advising Licensee that additional information/documentation is needed and a written response due of October 24, 2005 was given;
10. That on November 10, 2005, the Department sent an additional letter to Licensee via U.S. first-class mail service, advising Licensee that the additional information/documentation due to the Department by the written response due of October 24, 2005 has not been received from Licensee;
11. That on February 8, 2006, the Department sent an additional letter to Licensee via U.S. first-class mail service, advising Licensee that a penalty fee has accrued for non-response and a written response due of February 16, 2006 was given;
12. That on February 9, 2006, per a phone conversation with Licensee, Licensee advised of operational issues, and submitted a fax letter dated February 9, 2006 to the Department;
13. That on February 14, 2006, the Department sent a letter to Licensee via U.S. first-class mail service, advising Licensee that a decision should be made as whether or not Licensee's wishes to continue to conduct business or surrender its license, and that a written response should be submitted on or before February 21, 2006;
14. That on February 22, 2006, the Department received a written response from Licensee letter dated February 18, 2006;
15. That on February 22, 2006, the Department sent a letter to Licensee via U.S. first-class mail service, advising Licensee that additional information/ documentation is needed and a written response due of March 31, 2006 was given;
16. That on March 13, 2006, the Department received a written response from Licensee letter dated March 10, 2006;
17. That on April 13, 2006, the Department sent a letter to Licensee via U.S. first-class mail service, advising Licensee that the additional information/ documentation requested by the Department had been received and reviewed, but the Financial Statements submitted were unacceptable;
18. That on November 9, 2006, the Department sent a Potential 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;

19. A return receipt card evidencing receipt of such was received by the Department on or around November 10, 2006;
20. That on November 13, 2006, via a phone conversation, Licensee made contact with the Department;
21. That on November 14, 2006, the Department received a written response from Licensee via a letter dated November 13, 2006;
22. Based on the information and/or documentation submitted to the Department regarding Boardwalk Financial Services, Inc., audited financial statements, Licensee is not in compliance with the Net Worth Requirements after reviewing the documentation and further stated that the audited financial statements were unacceptable for years ending 2003, 2004, 2005 and 2006; and
23. That the information submitted to the Department Licensee fails to meet the Net Worth Requirements.

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 Sections 3-5 and 4-5(i)(17) of the Act by failing to comply with Net Worth Requirements.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that the license of BOARDWALK FINANCIAL SERVICES, INC., License No. MB.0005360 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 22ND DAY OF DECEMBER, 2006

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING

D. LORENZO PADRON
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 shall be filed within 10 days after the receipt of an administrative decision and, if so requested, a hearing shall be held 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.*].