STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
)   No. 2008-MBR-103
)

PASLAY FINANCIAL SERVICES   )
License No. MB.0003081   )
Attention: Ralph G. Paslay   )
508 E. Bethalto Dr.   )
Bethalto, IL 62010   )

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having performed an examination of loan brokering activities conducted by Paslay Financial Services (the "Licensee") and having documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635] and rules promulgated thereunder (the "Rules") [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5 (h)(5) of the Act. The Department makes the following:

FINDINGS

1. That Paslay Financial Services is an Illinois residential mortgage licensee holding license number MB.0003081 (the "License") and located at 508 E. Bethalto Dr., Bethalto, Illinois 62010;

2. That on August 19, 2008, the Department conducted a special examination of Licensee for compliance with the Act and Rules, including amendments to the Act recently enacted in Public Act 95-0691 (Senate Bill 1167), and the Department examiner determined based upon a review of selected loan files that Licensee was not in substantial compliance; and

3. That the Department thereafter requested, from the files initially reviewed, that Licensee provide complete loan files for further examination by the Department, and upon the Department reviewing these files determined that the loan file for borrower Presto (the "Presto loan file") contained numerous violations of the Act and Rules, including amendments to the Act recently enacted in Public Act 95-0691 (Senate Bill 1167); and

4. That the aforesaid violations included that the Licensee did collect borrower's initials to changes in either the loan fee in the loan brokerage agreement or the loan amount in the loan application, Licensee failed to provide written notice to borrower of change affecting loans in process, Licensee failed to provide proper disclosure of yield spread premium in the Good Faith Estimate although provided in a separate document, and Licensee failed to verify ability to repay the loan as required under Section 5-6 of the Act.

CONCLUSIONS

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

That notwithstanding notices and other efforts by the Department, Licensee violated Section 5-6 and 5-7 of the Act and Sections 1050.1010, 1050.1140,1050.1230, and 1050.1350 of the Rules, and is in further violation of Sections 4-5 (i)(11) and (17) of the Act.

ORDER

 NOW THEREFORE IT IS HEREBY ORDERED:

1. That Paslay Financial Services, License No. MB.0003081, shall be and hereby is assessed a fine of $1,000 for the violations cited herein;

2. The fine in the amount of $1,000.00 shall be due thirty (30)days after the effective date of this Order upon Paslay Financial Services; and

3. The fine in the amount of $1,000.00 shall be paid by means of a certified check or money order made payable to the:

Department of Financial and Professional Regulation
Division of Banking
ATTN: FISCAL DIVISION, 2ND FLOOR
320 W. Washington Street
Springfield, IL 62786

ORDERED THIS 1st DAY OF OCTOBER, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DEAN MARTINEZ, SECRETARY
DIVISION OF BANKING

_____
JORGE A. SOLIS
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 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.***].**