

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2008-MBR-137-b
DAS ACQUISITION COMPANY, LLC.)
 License No. MB.0006273)
 Attention: Jennifer Bell)
 12140 Woodcrest Executive Drive, Suite 150)
 St. Louis, MO 63141)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (the “Department”), having conducted an examination of licensable activities performed by DAS Acquisition Company, LLC. (the “Licensee”), and having found that the Licensee committed violations of the Residential Mortgage License Act of 1987 (the “Act”) [205 ILCS 635], and of the rules promulgated under the Act (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 DAS Acquisition Company, LLC. is an Illinois residential mortgage licensee holding license No. MB.0006273 (the “License”) and located at 12140 Woodcrest Executive Drive, Suite 150, St. Louis, Missouri 63141;
2. That on July 24, 2008, the Department conducted an examination of Licensee for the exam period 1/1/2005 to 2/29/2008 and the examiner found violations of the Act and Rules and cited in the Report of Examination (ROE) as follows:
 - a. Loan Originator Registration Requirements – Thirty-five individuals were either unregistered or originated loans after the expiration date of their certificates. Seventy-four transactions were cited during the examination period (violation of Sections 1-4(hh), 2-4(z), and 7-1 of the Act);
 - b. Loan Originator Continuing Education – Two loan originator employees failed to obtain the required number of continuing education credits (violation of Section 1050.2120 of the Rules);
 - c. Employment Agreements – Licensee’s written employment agreements failed to include the required responsibility for employee’s actions and restriction from performing licensable activities for more than one licensee (violation of Section 1-4(d) of the Act and Section 1050.110 of the Rules);

- e. Good Faith Estimate (“GFE”) – Licensee failed to provide the GFE to a borrower identified in the ROE (violation of Sections 1050.1250 and 1050.1350 of the Rules and citing federal RESPA regulation 24 CFR 3500.7);
 - f. Yield Spread Premium (“YSP”) - Licensee failed to disclose the YSP or improperly disclosed YSP as a percentage for three borrowers identified in the ROE (violation of Section 5-7 of the Act and Section 1050.1350 citing federal)
 - g. Changes Affecting Loans in Process – Licensee failed to provide three borrowers identified in the ROE with the required notice when loan terms changed prior to closing (violation of Section 1050.1230 of the Rules);
 - h. Loan Brokerage Agreement – Licensee was cited for three types of Loan Brokerage Agreement violations in the ROE, including failing to provide the loan originator registration number for three borrowers, failing to provide licensee’s authorized representative signature for two borrowers, and failing to obtain the borrower’s signature for one transaction (violation of Section 1050.1010 of the Rules);
 - i. Loan Brokerage Disclosure Statement – Licensee failed to obtain the signature of the borrower in a Loan Brokerage Disclosure Statement (violation of Section 1050.1110 of the Rules);
 - j. Borrower Information Document – Licensee was cited for two types of Borrower Information Document violations in the ROE, including failing to provide the document to one borrower, and failing to obtain a customer acknowledgement of receipt for another borrower (violation of Section 1050.1110 of the Rules);
 - k. Averments – Licensee was cited in the ROE for three borrowers that were given disclosures to sign which were not completely filled and/or contained blanks (violation of Section 1050.2165 of the Rules);
 - l. Approval Notice – Licensee failed to provide, for all files reviewed within the ROE, the required Commitment/Approval Notice to borrowers which stated the expiration date of the loan commitment, all economic terms and their duration, and if the terms are fixed or subject to change (violation of Section 1050.1305 of the Rules); and
 - m. Loan Log - Licensee failed to provide nine required fields of information in its loan logs for the entire period of this examination from 1/1/2005 to 2/29/2008.
3. That on October 2, 2008, the Department’s Examination Section sent the ROE to Licensee by U.S. first class mail service with a written response to the ROE required back to the Department within ten days; and
 4. That the Licensee submitted its written response dated October 8, 2008 and the Department considered submitted items including Licensee’s new policy that originators ask for the property state and immediately refer the borrower to a licensed originator prior to any discussion of an application; however, the Department has determined the written response does not contradict the findings of violations in the ROE, nor sufficiently detail the measures by the Licensee to correct violations of each Section cited in the ROE.

CONCLUSIONS

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

Notwithstanding notices and other efforts by the Department, Licensee is in violation of Act Sections 1-4, 2-4, 5-7, and 7-1 and Rules Sections 1050.110, 1050.1010, 1050.1110, 1050.1020,

1050.1110, 1050.1175, 1050.1230, 1050.1250, 1050.1305 1050.1350, 1050.2120, and 1050.216, and is in further violation of Act Sections 4-5(i) (11) and (17).

ORDER

NOW THEREFORE IT IS ORDERED:

1. That DAS ACQUISITION COMPANY, LLC., License No. MB.6760059, shall be and hereby is assessed a fine in the amount of \$35,000;
2. The fine in the amount of \$35,000 shall be due thirty (30) days after the effective date of this Order upon DAS ACQUISITION COMPANY, LLC.; and
3. The fine in the amount of \$35,000 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: MORTGAGE BANKING LEGAL
122 S. Michigan Avenue, Suite 1900
Chicago, IL 60603**

ORDERED THIS 17TH DAY OF NOVEMBER, 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.*].