

**STATE OF ILLINOIS**

**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**

**DIVISION OF BANKING**

IN THE MATTER OF: )  
 )  
 ) No. 2008-MBR-27  
**S & L Financial, Inc.** )  
License No. MB.0006902 )  
ATTN: Philip Lang )  
3052 W. Devon Avenue )  
Chicago, IL 60659 )

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (the “Department”), having conducted a review of the facts related to S & L Financial, Inc. (the “Licensee”), and having found that the Licensee committed violations of the Residential Mortgage License Act of 1987 [205 ILCS 635] (the “Act”), 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 S & L Financial, Inc. is an Illinois residential mortgage licensee holding license No. MB.0006902 (the “License”) and located at 3052 W. Devon Avenue, Chicago, Illinois 60659;
2. That on or around October 9, 2007, the Department opened an investigation into the Licensee’s activities in relation to the renewal of certain employees’ registration to perform loan solicitor services pursuant to the Act and Rules;
3. That the Department’s investigators found that Licensee employed Tito Bunay (“Bunay”) to provide limited loan solicitor services under Registration Number 032.0002152, but that Bunay, in fact, performed and was compensated for loan originator activities with borrowers (Diaz, Andrade, Bernal, Hernandez, and Ortiz (2 loans)) without proper qualification and registration by the Department, and employed and compensated Larry Fisher, prior to registration under Registration Number 032.0002845 and without proper qualification and registration as a loan originator, to perform loan originator activities with borrowers (Dear, Goens, Lewis, Madrid, and Smith) as identified in the Department’s Reports of Investigation (“ROI”) (violation of Sections 1-4(hh), 2-4(t) and (x), and 7-1 of the Act and Section 1050.2110 et seq. of the Rules);

4. That Licensee in its regular course of business improperly and falsely prepared loan file applications and/or loan logs for the loan files identified in Section 3 above to place the names of registered loan originator employee Paul Sliwa (“Sliwa”) (Registration Number 031.0010107) and other qualified loan originator employees thereupon, rather than the names of Bunay and Fisher who actually performed the loan originator activities with borrowers (violation of Sections 1050.1140 and 1050.1175 of the Rules); and
5. That on September 14, 2007, Licensee, acting through Sliwa and possibly additional employees present in the office, impeded and by its actions refused to permit a Department investigation at its offices by destroying and/or altering the loan application containing Bunay’s name as the loan originator for the Bernal loan, and creating and submitting to Department investigators a false loan application containing another loan originator’s name as identified in the ROI, and in furtherance of said deception, forged the name of borrowers on loan documents related to a mortgage financing transaction (violation of Sections 1-4(hh), 2-4(k), (o) and (t), 4-5(i)(2) and (15), and 4-6 of the Act and Section 1050.1140 and 1050.1175 of the Rules).
6. That on October 30, 2007, the Department mailed to Licensee by regular and certified mail a Potential Disciplinary Letter setting forth violations found in the ROI;
7. That on November 12, 2007, Licensee responded to the Potential Disciplinary Letter and the Department’s findings in a written letter submitted to the Department, including Licensee’s Loan Solicitor Policy;
8. That the Department has reviewed the Licensee’s written response and policy and determined that it does not alter the Department’s findings of violations in the ROI.

## **CONCLUSIONS**

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

Notwithstanding notices and other efforts by the Department, Licensee’s activities cited herein are in violation of Sections 1-4 (hh), 2-4 (k), (o) and (t), 4-5(i)(2),(11),(15) and (17), 4-6, and 7-1 of the Act and Sections 1050.1140, 1050.1175 and 1050.2110 et seq. of the Rules.

## **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED:

1. That S & L Financial, Inc. License No. MB.0006902, shall be and hereby is assessed a fine of \$25,000 for the enumerated violations herein;
2. The total fine in the amount of \$25,000 shall be due thirty (30) days after the effective date of this Order upon S & L Financial, Inc.; and
3. The fee in the amount of \$25,000 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: FISCAL DIVISION, 2<sup>ND</sup> FLOOR  
320 W. Washington Street  
Springfield, IL 62786**

ORDERED THIS 5<sup>th</sup> DAY OF FEBRUARY, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING  
JORGE A. SOLIS, DIRECTOR

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REYNOLD M. BENJAMIN  
Assistant Director, Bureau of Residential Finance

**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 the Department of Financial and Professional Regulation, Division of Banking on the administrative decision. 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.*].**