

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

IN THE MATTER OF: )  
)  
) No. 2008-MBR-72  
FIRST SWITZERLAND FINANCIAL, LTD. )  
License No. MB.0005388 )  
Attention: John Mendoza )  
3205 N. Clark )  
Chicago, IL 60657 )

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having investigated activities conducted by First Switzerland Financial, Ltd. (the "Licensee") and having documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635], 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 on March 27, 2008, the Department while investigating another case received information that Licensee was conducting residential mortgage loan activities at 7366 N. Lincoln Avenue, Suite 204, Lincolnwood, Illinois (the "Office"); said activities being conducted at this former branch office of Advantage Mortgage Consulting and by its former employees now working for "First Switzerland Financial;"
2. That on March 27, 2008, a Department investigator (the "Investigator") conducted an on-site visit to the Office to ascertain if Licensee was operating an unlicensed branch office at that location and upon arriving at the Office was directed to another person later identified as Teya Harbov ("Harbov"), an office assistant;
3. That the Investigator proceeded to interview Harbov, identified her as having answered the telephone call which prompted said investigation, and learned from Harbov that the branch manager was Sun Loma ("Loma") who was currently away from the Office and that the Office had recently transitioned to the Licensee after the closing of Advantage Mortgage Consulting and a brief period associated with another licensee;

4. That the Investigator further proceeded to observe numerous loan files on Harbov's desk and inquired as to one of the files that was open, and Harbov explained she was waiting for a client to call back with some information;
5. That the Investigator requested to view files stored in the office. Harbov showed the Investigator a filing cabinet containing files left by Advantage Mortgage Consulting from when that company moved out in January 2008;
6. That Harbov informed the Investigator that none of the files were being processed by the Licensee at the corporate office until the Office was granted a branch license. Yet when the Investigator reviewed the files at the Office he found that credit reports were ordered for at least four files by Loma and an additional one was ordered by Jonathon Kaufman between March 12, 2008 and March 19, 2008, all in the name of Licensee;
7. That additionally the Investigator obtained a loan file for one of the above referenced credit reports for the address 5505 W. Henderson, Chicago, Illinois 60641 and said file showed that Loma had taken the loan application under the Licensee's name, using the telephone number and fax number for the Office on some of the loan documents;
8. That thereafter the Investigator conducted further interviews, including collecting information on facts in dispute by the Licensee, and at the conclusion of the investigatory process found sufficient evidence of violation of the Act to refer these findings in the Report of Investigation for enforcement; and
9. That on April 30, 2008, the Department mailed to Licensee a potential disciplinary letter and Licensee provided a written response to the Department on May 8, 2008; however, the Department has determined Licensee's response to be insufficient to show that Licensee properly recorded the Office as a place of business or location that the licensee was conducting any part of its business as required by 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 has violated Section 1-3(f) of the Act, and is in further violation of Section 4-5 (i) (17) of the Act.

## **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED:

1. That First Switzerland, Ltd. shall be and hereby is assessed a fine of \$7,500 which shall be due thirty (30) days after the effective date of this Order; and
2. The fine in the amount of \$7,500 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 3<sup>rd</sup> DAY OF JULY, 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, 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.*].**