

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

IN THE MATTER OF: )  
)  
) No. 2008-MBR-75  
**OPTEUM FINANCIAL SERVICES, LLC** )  
**a/k/a Orchid Island TRS, LLC** )  
License No. MB.0006705 )  
Attention: Lisa Hill )  
W115 Century Road, 3<sup>rd</sup> Floor )  
Paramus, NJ 07652 )

**ORDER REVOKING LICENSE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having reviewed activities conducted by Opteum Financial Services, LLC (the "Licensee") and having documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635] and 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)(1) of the Act. The Department makes the following:

**FINDINGS**

1. That Opteum Financial Services, LLC is an Illinois residential mortgage licensee holding inactive, lapsed license number MB.0006705 (the "License") and located according to Department records at W115 Century Road, 3<sup>rd</sup> Floor, Paramus, New Jersey 07652;
2. That on June 19, 2007, the Department sent to Licensee by U.S. first-class mail a renewal notice, and that Licensee thereafter failed to timely renew the License resulting in the License lapsing into inactive status effective October 1, 2007;
3. That the Department subsequently commenced an inquiry into the licensing status of the Licensee, including, but not limited to, whether the Licensee was continuing to conduct any licensable activities under the Act and Rules, and what, if any, entities had taken over these former activities of the Licensee;

4. That the Department contacted a representative of the Licensee, and through information provided at the Department's request, identified initially that Illinois residential mortgage licensee MB.0006424 had acquired all or parts of retail and mortgage loan servicing platforms and portfolios from the Licensee during calendar year 2007;
5. That the Department further identified that Licensee, now known as Orchid Island TRS, LLC, had sold during calendar year 2007 its mortgage servicing rights in approximately \$8.4 billion of its approximately \$9 billion loan servicing portfolio; however, Licensee retained \$600 million in rights to primarily non-performing loans serviced by other exempt or licensed entities pursuant to sub-servicing agreements or transition services agreement;
6. That as of May 2008, of the aforementioned retained loan rights, Licensee retained rights in seventy-four Illinois residential mortgage loans, more than seven months after lapse of its Illinois residential mortgage license; and
7. That Licensee in failing to properly renew its License, or alternatively, properly wind down its business and licensable activities with respect to Illinois residential mortgage loans has violated the Act and Rules and created a condition of potential consumer harm.

### **CONCLUSIONS**

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

That notwithstanding notices and other efforts by the Department, Licensee is in violation of Sections 1-3, 2-4, 2-6 of the Act and Section 1050.320 of the Rules, and is in further violation of Sections 4-5(i)(11),(12), and (17) of the Act.

### **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED that the license of OPTEUM FINANCIAL SERVICES, LLC, License No. MB.0006705 is revoked by Order of the Department pursuant to Section 4-5(h) (1) of the Act for violations cited herein and further pursuant to Section 4-5(h) (5) the License shall be assessed a fifty thousand dollar (\$50,000) fine due and payable by Licensee for the counts of separate offense, unless you request a hearing pursuant to the RMLA and Subpart N of the Rules, including remitting the hearing fee required by Section 1050.210 of the Rules.

ORDERED THIS 8<sup>th</sup> DAY OF JULY, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING

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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.*].**