

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:

TAYLOR, BEAN & WHITAKER MORTGAGE CORPORATION)	ORDER TO CEASE
License No.: MB.0005493) AND DESIST
315 NE 14 th St.)
Ocala, FL 34470) 2009-MBR-CD3-b

AMENDED ORDER TO CEASE AND DESIST SERVICING ACTIVITIES

The Director of the Department of Financial and Professional Regulation, Division of Banking of the State of Illinois (hereinafter called the “Director” or the “Division”) hereby issues to TAYLOR, BEAN & WHITAKER MORTGAGE CORPORATION this AMENDED ORDER TO CEASE AND DESIST (the “Amended Order”). This Amended Order amends Order No. 2009-MBR-CD3 (the “Order”), retains all provisions of the Order and adds findings of fact, conclusions of law and additionally orders as hereinafter and pursuant to the authority of Sections 1-3 (d-1) and 4-1 (h-1) of the Residential Mortgage License Act of 1987 [205 ILCS 635] (the “Act”).

FINDINGS OF FACT

The Director makes the following additional Findings of Fact:

1. That on August 6, 2009, the Division issued the Order to Taylor, Bean & Whitaker Mortgage Corporation (“TBW”) to cease and desist origination activities at the company due to the Director’s findings and conclusions cited therein;
2. That the Division has been communicating daily with other state residential mortgage regulators and receiving reports from TBW, consumers and other sources on TBW’s servicing activities; and
3. That the Division seeks to provide the maximum consumer protection in relation to the servicing of loans remaining at TBW as of the date of this Amended Order and to provide a licensing framework for the winding down of TBW’s servicing of loans.

CONCLUSIONS OF LAW

Based on the Findings of Fact, the Director makes the following additional Conclusions of Law:

The Director has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur with respect to Taylor, Bean & Whitaker Mortgage Corporation's servicing activities pursuant to Sections 1-3 (d-1) and 4-1 (h-1) of the Act and through said authority orders the provisions hereinafter.

NOW THEREFORE IT IS HEREBY ORDERED:

Taylor, Bean & Whitaker Mortgage Corporation, and by and through its owners, officers, directors, employees, and agents, shall additionally cease and desist and take actions as follows:

1. TBW shall provide a list of all residential mortgage loans for Illinois situated properties currently serviced by TBW. Such list shall include the following information:
 - a. The name, address, telephone number and state of residence of the borrower(s);
 - b. The loan number;
 - c. The owner of the loan;
 - d. The account balance; and,
 - e. The location of the funds.

On each day, by 3 p.m. Central Standard Time after the effective date of this Amended Order, TBW shall provide an updated status (written or oral) report of the list of Illinois residential mortgage loans currently serviced by TBW. The status report shall include the categories of information required under subparagraphs 1(a) through 1(e). The reporting requirement shall continue until each of the Illinois residential mortgage loans on the list is no longer serviced by TBW. Within 48 hours of the transfer of servicing rights of any such loan included in the list provided by TBW, TBW shall provide a written notice containing the borrower name, address and loan number and the entity to whom the servicing rights have been transferred.

2. TBW shall cease and desist from commencing or proceeding with foreclosures against any Illinois residential mortgage loans currently serviced by TBW until further notice.
3. TBW shall place any and all payments collected from consumers in an escrow account, separate and apart from any TBW operating account, maintained at a federally-insured bank. Not later than five (5) days after the effective date of this Order, TBW shall provide proof that the funds have been placed in an escrow account maintained at a federally insured bank.
4. TBW shall put in place appropriate internal controls for its servicing department. This

shall include:

- a. The development of revised written procedures subject to approval and monitoring by state and federal regulators for the TBW servicing department;
 - b. Document retention policies and handling guidelines available for regulatory and third-party audit and review; and
 - c. The involvement of a third-party independent contractor to oversee the implementation of the guidelines and day-to-day operations of the servicing department.
5. TBW shall negotiate with any new servicer of the Illinois residential mortgage loans currently in its servicing portfolio a 60-day grace period for its consumers after transfer to a new servicer in which the consumer can not be charged a late fee if the consumer sends his or mortgage payment to TBW by mistake and the new servicer can not report that payment as late to a credit bureau.
6. TBW shall use its best efforts to process and transfer the Illinois residential mortgage loans in its servicing portfolio in an orderly basis. While such efforts are on-going, TBW shall continue to service those loans in the customary and usual manner.

Upon transfer, TBW shall encourage the new servicers to send out a notice to the consumer within 15 days of the transfer. In any event, TBW shall do its best efforts to notify the consumer at least 15 days before the effective date of the transfer. The effective date is when the first payment is due at the new servicer's address. TBW shall send out notices to the consumers that include the following particular information:

- a. The name and address of the new servicer;
- b. The date TBW will stop accepting payments;
- c. The date the new servicer will begin accepting payments; and

- d. Telephone numbers for both TBW and the new servicer that the consumer can use to call toll-free or collect for more information about the transfer.

The notices shall also include a statement that the transfer will not affect any terms or conditions of the consumer's mortgage contract, except those directly related to the servicing of the loan.

7. TBW shall transfer all Illinois residential mortgage loans currently in its servicing portfolio within one hundred and twenty (120) days of this Amended Order unless further amended by the Director on good cause shown.

ORDERED THIS 21ST OF AUGUST, 2009

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION,
DIVISION OF BANKING of the State of Illinois;
BRENT E. ADAMS, ACTING SECRETARY

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 a hearing held 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.*].