

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

In the Matter of Matthew R. Wildermuth	Case Nos.	2013-MLO-CD-22
In the Matter of George P. Kleanthis		2013-MLO-12
In the Matter of Lupe Cruz, Jr.		2013-MLO-CD-25
In the Matter of Magdalena Esteves		2013-MLO-CD-24
In the Matter of Wilson Lara		2012-MLO-CD-23
In the Matter of Maria Bono		2013-MLO-CD-26
In the Matter of Legal Modification Network		2013-MBR-CD-15

Petitioners.

SETTLEMENT AGREEMENT

The Illinois Department of Financial and Professional Regulation, Division of Banking (“Department”) and Matthew R. Wildermuth, individually and doing business as The Law Offices of Matthew R. Wildermuth (collectively, “Wildermuth”), George P. Kleanthis (“Kleanthis”), Lupe Cruz, Jr. (“Cruz”), Magdalena Esteves (“Esteves”), Wilson Lara (“Lara”), Maria Bono (“Bono”) and Legal Modification Network, LLC (“LMN”), a limited liability company registered with the Illinois Secretary of State (collectively, the “Petitioners”), pursuant to the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050], for good and valuable consideration and in recognition of the settlement of all related matters between Petitioners and the Office of the Attorney General, State of Illinois the receipt and sufficiency of which are hereby acknowledged, enter into this Settlement Agreement and stipulate and agree to the following:

RECITALS

1. The above-referenced matters stem from an “Order to Cease and Desist Unlawful Residential Mortgage Activities and Assessing Fine” that was sent to each of the individual Petitioners and Petitioner LMN by the Illinois Department of Financial and Professional

Regulation, Division of Banking (collectively, the “Cease & Desist/Fine Orders”). Petitioner Kleanthis received only an “Order Assessing Fine.” The Cease & Desist/Fine Orders and the Order Assessing Fine are referred to collectively herein as the “Orders.”

2. At the time the Department entered the Order Assessing Fine against him on December 10, 2013, Kleanthis had in effect a valid Mortgage Loan Originator License issued by the Department. Following entry of the Order, Kleanthis did not renew his License and said License is deemed to have lapsed.

3. Petitioners timely requested an administrative hearing on the Orders and Petitioners and the Department (collectively, the “Parties” and each a “Party”) currently are engaged in active proceedings before the Department with no final determination in the matter. The Parties agree that it is in their respective and mutual interests to conclude the administrative proceedings and resolve through this Settlement Agreement on all matters arising out of or related to the Orders.

4. The Settlement Agreement shall take effect for all Parties on the date that the last Party signs and dates the Settlement Agreement (the “Effective Date”).

TERMS AND CONDITIONS

I. As of the Effective Date, to the extent Petitioner Wildermuth, an Illinois-licensed practicing attorney, provides services to an Illinois consumer in a transaction that is subject to the Act, the Rules or MRFA and said services are not ancillary to Wildermuth’s practice of law, Wildermuth shall obtain a Mortgage Loan Originator license from the Department and actively maintain said license for so long as the above-referenced services are rendered.

II. As of the Effective Date, to the extent individual Petitioners Esteves and Lara provide services to an Illinois consumer in a transaction that is subject to the Act, the Rules or

MRFA and said services are provided as Wildermuth's employee or agent under his supervision and control, said Petitioners are not required to obtain an active Mortgage Loan Originator License from the Department. To the extent individual Petitioners Esteves and Lara provide services to an Illinois consumer in a transaction that is subject to the Act, the Rules or MRFA and said services are not provided through Wildermuth, each such Petitioner must obtain a Mortgage Loan Originator License from the Department and actively maintain said license for so long as the above-referenced services are rendered. For purposes of clarity, Petitioners Cruz and Bono are no longer employed by or otherwise affiliated with Wildermuth in any capacity; as a result, to the extent Petitioners Cruz or Bono provide services to an Illinois consumer in a transaction that is subject to the Act, the Rules or MRFA, each is responsible independently for complying with all operative provisions of the Act, Rules and MRFA or demonstrating to the Department's satisfaction that each otherwise is exempt from the Act, Rules and MRFA.

III. As of the Effective Date, the Department shall not consider this matter when reviewing any Petitioners' application for or renewal of any professional license. Kleanthis may apply for a new Mortgage Loan Originator License without fulfilling any testing or pre-education requirements. Upon being licensed, Kleanthis shall comply with the Act and the Rules as they pertain to Mortgage Loan Originator Licensees.

IV. Wildermuth and LMN individually and collectively represent and warrant that LMN does not provide and has no intention of providing in the future services to Illinois consumers in transactions subject to the Act, the Rules or MRFA.

V. Petitioners' individual and collective commitments to enter this Settlement Agreement do not constitute and shall not be construed as an admission that any Petitioner engaged in conduct that violated any provision of the Residential Mortgage License Act of 1987

(“Act”) [205 ILCS 635] or the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050] or any provision of the Mortgage Rescue Fraud Act (“MRFA”) [765 ILCS 940].

VI. Petitioners waive any right to file any petition for administrative hearing or other appeal of this Settlement Agreement. Petitioners acknowledge that each has been represented by legal counsel in negotiating this Settlement Agreement and that, without admitting liability, each willingly enters this Settlement Agreement after full review, evaluation, and consideration of the Terms and Conditions specified herein and with full knowledge of the rights available to each Petitioner under the Act and the Illinois Administrative Procedure Act.

VII. The Department enters the Settlement Agreement following its investigation into and litigation of the factual assertions that resulted in the entry of the Orders and its determination that the Terms and Conditions herein adequately protect consumers residing in the State of Illinois.

VIII. The Orders are hereby vacated in their entirety (including but not limited to any order or direction for any Petitioner to pay any fine or fines) and each of the above-captioned proceedings is hereby terminated with prejudice. Notwithstanding the immediately preceding sentence, the Department retains its rights to initiate a new proceeding against any Petitioner who breaches any of the Terms and Conditions of this Settlement Agreement.

WHEREFORE, each of the undersigned agrees to be bound by all the foregoing Terms and Conditions of this Settlement Agreement set forth in Sections I through VIII, inclusive.

[SIGNATURE PAGES FOLLOW]

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**MATTHEW R. WILDERMUTH, INDIVIDUALLY AND D/B/A
THE LAW OFFICES OF MATTHEW R. WILDERMUTH**

By: _____ Date: _____
Matthew R. Wildermuth

GEORGE P. KLEANTHIS

By: _____ Date: _____
George P. Kleanthis, Individually

LEGAL MODIFICATION NETWORK, LLC

By: _____ Date: _____
George Kleanthis, Its Managing Member

MAGDALENA ESTEVES

By: _____ Date: _____
Magdalena Esteves

WILSON LARA

By: _____ Date: _____
Wilson Lara

GUADALUPE CRUZ, JR.

By: _____ Date: _____
Guadalupe Cruz, Jr.

MARIA BONO

By: _____ Date: _____
Maria Bono

**ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
BRYAN A. SCHNEIDER, SECRETARY**

BY: _____ Date: _____
Kerri A. Doll, Director, Division of Banking
Illinois Department of Financial and Professional Regulation