

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

IN THE MATTER OF: )  
 )  
**GEORGE P. KLEANTHIS** ) No. 2013-MLO-12  
 )  
IL License No. 031.0007947 NMLS ID No. 6754 )  
1900 W. 75th Street )  
Woodridge, Illinois 60517 )

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING, (“Department”) having investigated the activities of GEORGE KLEANTHIS (“KLEANTHIS”), 1900 W. 75<sup>th</sup> Street, Woodridge, Illinois 60517, in connection with his residential mortgage activities with unlicensed company Legal Modification Network (“LMN”), 1900 W. 75<sup>th</sup> Street, Woodridge, Illinois 60804 and found violations of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], and the Mortgage Rescue Fraud Act (“MRFA”) [765 ILCS 940], the Secretary hereby issues this ORDER ASSESSING FINE, and states:

**STATUTORY PROVISIONS**

1. Section 1-4(hh) of the act defines a loan originator in relevant part: “Loan originator” means any natural person who, for compensation or in the expectation of compensation, either directly or indirectly makes, offers to make, solicits, places, or negotiates a residential mortgage loan.
2. Section 1-4(jj) of the Act defines a mortgage loan originator as an individual who for compensation or gain or in the expectation of compensation or gain (i) takes a residential mortgage loan application; or (ii) offers or negotiates terms of a residential mortgage loan.
3. Section 1-4(yy) defines “loan modification” to mean for compensation or gain, either directly or indirectly offering or negotiating on behalf of a borrower or homeowner to adjust the terms of a residential mortgage loan in a manner not provided for in the original or previously modified loan.
4. Section 7-1 of the Act states that it is unlawful for any natural person to act or assume to act as a loan originator, as defined in subsection (hh) of Section 1-4, without being registered in the State of Illinois.

5. Section 7-1A of the Act states that it is unlawful to work as a mortgage loan originator, as defined in subsection (jj) of Section 1-4 of this Act, without obtaining a license from the Director, unless the individual is exempt under subsection (c) of this Section.
6. Section 7-11 of the Act authorizes the Secretary to issue a cease and desist order to compel the mortgage loan originator to comply with this Act or any other applicable law. A maximum fine is authorized of \$1,000 for each day for each violation of this Act or other applicable law or regulation that is committed, and may be double for repeat violations.
7. Section 7-13 of the Act provides a list of prohibited acts and practices for MLOs, including assisting or aiding and abetting a person in conducting any business covered by this Act without holding a valid license as required under this Act.

### **FACTUAL FINDINGS**

8. KLEANTHIS holds MLO License No. 031.0007947 since August 16, 2005 and owner and sponsored by Hartland Mortgage Centers, Inc. (MB.0004176).
9. On or about September 14, 2011, Department received information that LMN was offering loan modification services to consumers and charging them upfront fees.
10. The Department's investigation found that KLEANTHIS was involved with LMN which was not licensed by the Department to act as a residential mortgage licensee.
11. The Department's investigation found that KLEANTHIS, through LMN, aided and abetted unlicensed individuals in offering loan modification services for four consumers.

### **LEGAL CONCLUSIONS**

12. KLEANTHIS is in violation of Section 7-13(6) of the Act.

### **NOW IT IS HEREBY ORDERED THAT,**

1. The Department assesses a **FINE** against KLEANTHIS in the amount of \$2,000 (\$2,000 per repeat violation of Section 7-13(6) of the Act) pursuant to Section 7-11 of the Act and Section 1050.2170 (a)(2) of the Rules. The fine is payable by certified check or money order within thirty (30) days of the effective date of this Order to the:

**Department of Financial and Professional Regulation  
Division of Banking  
ATTN: Loan Originator Section  
320 W. Washington, 5<sup>th</sup> Floor  
Springfield, Illinois, 62786**

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2013

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
MANUEL FLORES, ACTING SECRETARY

DIVISION OF BANKING

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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 and \$250 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5<sup>th</sup> Floor, Springfield, IL 62786, ATTN: Loan Originator Section within 10 days after the receipt of an administrative decision. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in the administrative decision pursuant to 38 Ill. Adm. Code 1050.1570. 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.*].

State of Illinois (   
 ( ss:   
 County of Cook (

The undersigned, being duly sworn on oath, states that on \_\_\_\_\_, I mailed with sufficient postage affixed, a copy of the foregoing **ORDER ASSESSING FINE** by regular and certified mail, return receipt requested at 100 W. Randolph Street, Chicago, Illinois 60601, to the address of Respondent registered with the Department and listed below:

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AFFIANT

Subscribed and sworn to before me,

this \_\_\_\_ day of \_\_\_\_\_, 2013

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NOTARY PUBLIC

Send to:

GEORGE P. KLEANTHIS  
1900 W 75th Street  
Woodridge, Illinois 60517