

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:

JUSUF HODZIC

IL License No. 031.0028285; NMLS ID No. 285791)

6448 N. Algonquin

Chicago, IL 60646

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No. 2014-MLO-08

**ORDER REVOKING
MORTGAGE LOAN ORIGINATOR LICENSE AND ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having conducted an investigation of JUSUF HODZIC (“HODZIC”), 6448 N. Algonquin, Chicago, IL 60646, and found violations of the Residential Mortgage License Act of 1987 (“Act”) and of the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050]. The Secretary hereby issues this ORDER REVOKING MORTGAGE LOAN ORIGINATOR LICENSE AND ASSESSING FINE, and states:

STATUTORY PROVISIONS

1. Section 1-4(jj) of the Act defines the “mortgage loan originator” (“MLO”) 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. Included in the definition are individuals who participate in residential mortgage loan modification activities.
2. Section 7-1A of the Act states, in part, it is unlawful for any individual to act or assume to act as a MLO, as defined in subsection (jj) of Section 1-4 of the Act, without obtaining a license from the Department.
3. Section 7-11 of the Act authorizes the Department to revoke and/or fine, or otherwise discipline, the license of a MLO if the Secretary finds that the MLO has violated this Act or any other applicable law or regulation. 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, \$3,000 for each day for each violation for engaging in 7-13(1) and \$2,000 for repeat violations.
4. Section 7-13 of the Act provides a list of prohibited acts and practices for mortgage loan originators, including negligently making any false statement or knowingly and willfully

making any omission of a material fact in connection with any report filed with a governmental agency or the Nationwide Mortgage Licensing System (“NMLS”).

5. Section 1050.370 of the Rules states that MLOs must notify the Director through NMLS within 30 days if information contained within the initial application or any renewal application is no longer current and must file accurate supplemental information.

FACTUAL FINDINGS

6. HODZIC holds Illinois Mortgage Loan Originator License No. 031.0028285.
7. HODZIC was the owner of HODZ Financial Group, Inc. (“HODZ Financial”), an Illinois Residential Mortgage Licensee.
8. On May 13, 2010, HODZIC submitted his original MU4 application through NMLS to become a licensed MLO.
9. As part of the MU4 application HODZIC was required to give an oath that his answers “are current, true, accurate and complete and are made under the penalty of perjury...To the extent any information previously submitted is not amended and hereby, such information remains accurate and complete...To keep the information contained in this form current and to file accurate supplementary information on a timely basis...”
10. In his application, HODZIC attested that he had never been involved in a violation of a financial services-related business regulation or statute; never had been the cause of a financial services-related business having authorization to do business denied, suspended, revoked or restricted; never had an order against him in connection with a financial services-related activity; and never had a registration or license revoked.
11. On November 17, 2010, the Department issued order number 2010-MBR-113 (“Revocation”) revoking the Illinois Residential Mortgage License of HODZ Financial Group, Inc. (“Licensee”) and assessing a \$10,000 fine for violations of the Act and Rules found in the 2007-2008 examination of HODZ Financial and failure to pay examination fees due the Department in the amount of \$1,156.00.
12. HODZIC did not amend his MU4 application to reflect the Revocation within the 30 days established by Rule.
13. On May 8, 2012, the MU4 application included subpart (M) which required disclosure of conduct that occurred while a licensee exercised control over an organization including: that no State or federal regulatory agency had ever taken any action against a licensee for being involved in a violation of a financial services-related business regulation or statute; that a licensee had never been the cause of a financial services-related business having authorization to do business denied, suspended, revoked or restricted; that a licensee never had an order against it in connection with a financial services-related activity; and never had a registration or license revoked.

14. On May 8, 2012, HODZIC updated his information on his MU4 application through NMLS and he attested that he had not exercised control over an organization subject to an action described under subpart (M) of the MU4 application.
15. A Department review conducted as of April 14, 2014 showed that HODZIC never disclosed the Revocation.

LEGAL CONCLUSIONS

16. HODZIC is in violation of Section 7-13(10) of the Act.

NOW IT IS HEREBY ORDERED THAT:

1. The Department **REVOKES** HODZIC'S Mortgage Loan Originator License No. 031.0028285 pursuant to Sections 7-11 of the Act and Section 1050.2170 (a)(1) of the Rules.
2. The Department assesses a **FINE** against HODZIC in the amount of \$118,000 (\$1,000 per day of violation) pursuant to Section 7-11 of the Act. 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, 5th Floor
Springfield, Illinois, 62786**

ORDERED THIS ____ DAY OF _____, 2014

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

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 and \$250 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5th 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 (
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 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 REVOKING MORTGAGE LOAN ORIGINATOR LICENSE AND ASSESSING FINE** by regular and certified mail, return receipt requested at 100 W. Randolph St., Chicago, Illinois 60601, to the address of Respondent registered with IDFPR Division of Banking listed below:

AFFIANT

Subscribed and sworn to before me,

this ____ day of _____, 2014

NOTARY PUBLIC

Sent to:

JUSUF HODZIC
6448 N. Algonquin
Chicago, IL 60646