**Section 1055.240 Assigned Ratings**

a) Ratings in general. Subject to subsections (a) and (b), the Secretary assigns to a covered mortgage licensee a rating of "outstanding", "satisfactory", "needs to improve", or "substantial noncompliance" based on the covered mortgage licensee's performance under the lending and service tests.

b) Lending test. No covered mortgage licensee may receive an assigned overall rating of "satisfactory" or higher unless it receives a rating of at least "satisfactory" on the lending test.

c) Effect of evidence of discriminatory or other illegal credit practices. Evidence of discriminatory or other illegal credit practices adversely affects the Secretary's evaluation of covered mortgage licensee's performance. In determining the effect on the covered mortgage licensee's assigned rating, the Secretary considers the nature and extent of the evidence, the policies and procedures that the covered mortgage licensee has in place to prevent discriminatory or other illegal credit practices, any corrective action that the covered mortgage licensee has taken or has committed to take, particularly voluntary corrective action resulting from self-assessment, the covered mortgage licensee's compliance with written policies and directives with regard to fair lending, and other relevant information. In connection with any type of lending activity described in Section 1055.220, evidence of discriminatory or other credit practices that violate an applicable law, rule, or regulation includes, but is not limited to:

1) Discrimination against applicants on a prohibited basis in violation, for example of the Equal Credit Opportunity Act (15 U.S.C. 1691-1691f) or Fair Housing Act (42 U.S.C. 3601-19), including, for example, relying on or giving force or effect to discriminatory appraisals to deny loan applications where the covered mortgage licensee knew or should have known of the discrimination;

2) Violations of section 5 of the Federal Trade Commission Act (15 U.S.C. 45)

3) Violations of section 8 of the Real Estate Settlement Procedures Act (12 U.S.C. 2607);

4) Violations of the Truth in Lending Act provisions regarding a consumer's right of rescission (15 U.S.C. 1635);

5) Violations of the Home Ownership and Equity Protection Act (15 U.S.C. 1639 and 1648);

6) Violations of the Residential Real Property Disclosure Act [765 ILCS 77];

7) Violations of the Illinois High Risk Home Loan Act [815 ILCS 137];

8) Violations of the Illinois Fairness in Lending Act [815 ILCS 120]; and

9) Violations of Article 4 (Financial Credit) of the Illinois Human Rights Act [775 ILCS 5/Art. 4].