

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Savings and Loan Act of 1985 is
5 amended by adding Section 1-1.5 and by changing Section 1-5 as
6 follows:

7 (205 ILCS 105/1-1.5 new)

8 Sec. 1-1.5. References to Office or Commissioner of Banks
9 and Real Estate. On and after the effective date of this
10 amendatory Act of the 94th General Assembly, unless the context
11 requires otherwise:

12 (1) References in this Act to the Office of Banks and
13 Real Estate or "the Office" mean the Department of
14 Financial and Professional Regulation.

15 (2) References in this Act to the Commissioner of Banks
16 and Real Estate or "the Commissioner" mean the Secretary of
17 Financial and Professional Regulation.

18 (205 ILCS 105/1-5) (from Ch. 17, par. 3301-5)

19 Sec. 1-5. Prohibitions.

20 (a) No person or group of persons, except an association
21 duly incorporated under this Act or a prior Act or a Federal
22 association or a foreign association duly authorized to do
23 business in this State, shall transact business within the
24 scope of this Act or do any business under any name or title or
25 circulate or use any advertising or make any representation or
26 give any information to any person which indicates or
27 reasonably implies the operation of a business which is within
28 the scope of this Act.

29 (b) A circuit court may issue an injunction to restrain any
30 person from violating or continuing to violate subsection (a)
31 ~~any of the foregoing provisions~~ of this Section.

1 (b-5) Except as otherwise expressly permitted by law or
2 with the written consent of the association, no person or group
3 of persons may use the name of or a name similar to the name of
4 an existing association when marketing or soliciting business
5 from customers or prospective customers if the name or similar
6 name is used in a manner that would cause a reasonable person
7 to believe that the marketing material or solicitation
8 originated from or is endorsed by the existing association or
9 that the existing association is in any other way responsible
10 for the marketing material or solicitation.

11 (c) Any person or group of persons who violates subsection
12 (a) of any provision of this Section commits a business offense
13 and shall be fined not to exceed \$5,000.

14 (d) In addition to any other available remedies, an
15 existing association may report an alleged violation of any
16 provision of this Section to the Secretary. If the Secretary of
17 Financial and Professional Regulation finds that any person or
18 group of persons is in violation of any provision of this
19 Section, then the Secretary may direct that person or group of
20 persons to cease and desist from that violation. If the
21 Secretary issues a cease and desist order against any person or
22 group of persons for violation of subsection (b-5), then the
23 order must require that person or group of persons to cease and
24 desist from using the offending marketing material or
25 solicitation in Illinois.

26 If the person or group of persons against whom the
27 Secretary issued the cease and desist order persists in the
28 violation, then the Secretary may impose a civil penalty of up
29 to \$10,000 for each violation. Each day that a person or group
30 of persons is in violation of this Section constitutes a
31 separate violation of this Section and each instance in which
32 marketing material or a solicitation is sent in violation of
33 subsection (b-5) constitutes a separate violation of this
34 Section.

35 (e) The Department of Financial and Professional
36 Regulation may adopt rules to administer the provisions of this

1 Section.

2 (Source: P.A. 84-543.)

3 Section 10. The Savings Bank Act is amended by adding
4 Section 1001.5 and by changing Section 1004 as follows:

5 (205 ILCS 205/1001.5 new)

6 Sec. 1001.5. References to Office or Commissioner of Banks
7 and Real Estate. On and after the effective date of this
8 amendatory Act of the 94th General Assembly, unless the context
9 requires otherwise:

10 (1) References in this Act to the Office of Banks and
11 Real Estate or "the Office" mean the Department of
12 Financial and Professional Regulation.

13 (2) References in this Act to the Commissioner of Banks
14 and Real Estate or "the Commissioner" mean the Secretary of
15 Financial and Professional Regulation.

16 (205 ILCS 205/1004) (from Ch. 17, par. 7301-4)

17 Sec. 1004. Applicability.

18 (a) This Act shall apply to all financial institutions no
19 matter how named or chartered, if they comply with the
20 provisions of this Act and with the rules of the Commissioner
21 promulgated pursuant to this Act.

22 (b) No person or group of persons, except a savings bank
23 duly organized or authorized under this Act, a predecessor Act,
24 or a federal Act may transact business within the scope of this
25 Act or do business under any name or title or circulate or use
26 any advertising or make any representations or give any
27 information to anyone using any media, including electronic
28 media, that indicates or implies the operation of a business
29 within the scope of this Act. Nothing herein shall prohibit the
30 continued use of the name or title "savings bank" by any bank
31 or savings and loan association if the use of that name or
32 title was in effect before January 1, 1990.

33 (c) Except as otherwise expressly permitted by law or with

1 the written consent of the savings bank, no person or group of
2 persons may use the name of or a name similar to the name of an
3 existing savings bank when marketing or soliciting business
4 from customers or prospective customers if the name or similar
5 name is used in a manner that would cause a reasonable person
6 to believe that the marketing material or solicitation
7 originated from or is endorsed by the existing savings bank or
8 that the existing savings bank is in any other way responsible
9 for the marketing material or solicitation.

10 (d) Any person who violates subsection (b) of this Section
11 commits a business offense and shall be fined in an amount not
12 to exceed \$5,000.

13 (e) In addition to any other available remedies, any
14 existing savings bank may report an alleged violation of any
15 provision of this Section to the Secretary of Financial and
16 Professional Regulation. If the Secretary finds that any person
17 or group of persons is in violation of any provision of this
18 Section, then the Secretary may direct that person or group of
19 persons to cease and desist from that violation. If the
20 Secretary issues a cease and desist order against any person or
21 group of persons for violation of subsection (c), then the
22 order must require that person or group of persons to cease and
23 desist from using the offending marketing material or
24 solicitation in Illinois.

25 If the person or group of persons against whom the
26 Secretary issued the cease and desist order persists in the
27 violation, then the Secretary may impose a civil penalty of up
28 to \$10,000 for each violation. Each day that a person or group
29 of persons is in violation of this Section constitutes a
30 separate violation of this Section and each instance in which
31 marketing material or a solicitation is sent in violation of
32 subsection (c) constitutes a separate violation of this
33 Section.

34 (f) The Department of Financial and Professional
35 Regulation may adopt rules to administer the provisions of this
36 Section.

1 (Source: P.A. 86-1213.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.