

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF: Carlton Financial Services**

) **FILE NO. 0600372**  
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**ORDER OF PROHIBITION**

**TO RESPONDENTS:** Carlton Financial Services  
8400 Woodbine Avenue  
Markham, ON L3R, CA

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on November 8, 2007 temporarily prohibiting Respondent, its partners, officers and directors, agents, employees, affiliates, successors and assigns ("Respondent") from operating as a Loan Broker in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative.

WHEREAS, pursuant to Section 15-40 of the Illinois Loan Brokers Act (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, pursuant Section 15-55(e) of the Illinois Loan Brokers Act of 1995 [815 ILCS 175/15-1 et seq.] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, the Respondent have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondent are hereby deemed to have admitted the facts alleged in the Temporary order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Carlton Financial Services (hereinafter "Respondent") has a last known address of 8400 Woodbine Avenue, Markham, ON L3R. Canada.

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2. On or about June 20, 2006, Respondent solicited an Illinois Borrower (hereinafter "Borrower") by way of phone call to enter into an agreement with Respondent whereby Respondent, in exchange for a fee would loan Borrower \$10,000.00.
3. Specifically, Respondents agreed that in exchange for \$800 Respondents would consider making a loan of \$10,000.
4. Borrower wired the \$800 to Respondents via Western Union.
5. Respondent called Borrower on June 21, 2006 and stated that Borrower would have to wire an additional \$760 in order to attain the \$10,000 loan.
6. Borrower wired the \$760 to Respondents via Western Union.
7. Respondent called Borrower a third time and stated that Borrower would have to wire an additional \$600 in order to attain the \$10,000 loan.
8. Borrower wired the \$600 to Respondents via Western Union.
9. To date Borrower has not received the \$10,000 that Respondent agreed to advance.
10. To date Borrower has not received back any of the payments he made to Respondent.
11. That by virtue of the foregoing, Respondent was acting as a Loan Broker as that term is defined in Section 15-5.15 of the Illinois Loan Brokers Act of 1995 [815 ILCS 175/15-1] (the "Act").
12. Section 15-10 of the Illinois Loan Brokers Act of 1995 [815 ILCS 175/15-1] (the "Act") provides *inter alia* that it shall be unlawful for any person to engage in the business of loan brokering unless registered as such under the Act.
13. A review of the files of the Illinois Secretary of State's office, disclosed no record of registration for Respondents as loan brokers in the state of Illinois.
14. That by virtue of the foregoing Respondent violated Section 15-10 of the Act.
15. That Section 15-55(c) of the Act provides, *inter alia*, that if the Secretary of State shall find that any person has violated any provision of this Act, the Secretary of State may, by written order temporarily prohibit or suspend such person from acting as a loan broker.
16. That Section 15-55(d) of the Act provides, *inter alia*, that if the Secretary of State shall find any person is acting or has acted as a loan broker as defined in Section 15-5.15 of this Act, without prior thereto or at the time thereof having complied

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with the registration requirements of the Act, the Secretary of State may by written order prohibit such person from acting as a loan broker in the State.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 15-55(c) and Section 15-55(d) of the Act, Carlton Financial Services, its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, are hereby PROHIBITED from engaging in the business of loan brokering in the State of Illinois.

**NOTICE:** Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offense.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et. seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 7<sup>th</sup> day of April 2008

  
JESSE WHITE  
Secretary of State  
State of Illinois

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