

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: BROOKS AND GOLDMAN)
FINANCIAL, ITS OFFICERS, DIRECTORS,)
EMPLOYEES, AFFILIATES, SUCCESSORS AGENTS,)
AND ASSIGNS.)

FILE NO. 1300306

ORDER OF PROHIBITION

TO RESPONDENTS:

Brooks and Goldman Financial
55 E. Monroe Street
Chicago, Illinois 60603

Philip S. Bradley, CEO
Brooks and Goldman Financial
55 E. Monroe Street
Chicago, Illinois 60603

Charles E. Gradon
Brooks and Goldman Financial
55 E. Monroe Street
Chicago, Illinois 60603

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on March 18, 2014 temporarily prohibiting Respondents from engaging in the business of loan brokering in the State of Illinois until further order of the Secretary of State.

WHEREAS, pursuant to Section 15-55 of the Illinois Loan Brokers Act of 1995 [815 ILCS 175] (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, Respondents have failed to request a hearing on the matters contained in the said Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

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

1. That Respondent Brooks and Goldman Financial, ("B&G") has a last known business address of 55 E. Monroe Street, Chicago, Illinois 60603.
2. During June 2013, Respondent, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered to procure a loans via the internet at www.brooksgoldman.net (the "Ad"), which was viewed by at least one Borrower (the "Borrower").
3. On or about June 19, 2013, Borrower completed an online application and was subsequently contacted by Respondent Brandon, a senior account executive for Respondent B&G.
4. On or about June 25, 2013, Respondent sent to Borrower "Loan Agreement" detailing the loan terms, which also required Borrower to make a collateral security payment of \$904.56 to secure the loan in the amount of \$5,000.00.
5. On July 10, 2013, Borrower remitted the sum of \$904.00 via Western Union to Respondents.
6. On or about July 11, 2013, Respondent sent Borrower a letter stating that "upon receiving the *additional* security investment in the amount of \$904.00 USD, the requested loan in the amount to \$5,000.00 and all associated sending costs will be released to the borrower no later than 1 business day."
7. To date, Borrower has not received a loan or the return her collateral security payment from the Respondents.
8. That the above-referenced Respondent are loan brokers as that term is defined pursuant to Section 15-5.15 of the Illinois Loan Brokers Act of 1995 [815 ILCS 175/15-1 et seq.] (the "Act").
9. Section 15-10 of the Act provides, inter alia, that it shall be unlawful for any person to engage in the business of loan brokering unless registered under the Act.
10. Section 15-85(b) of the Act provides, inter alia, that it is prohibited under the Act for a loan broker to either directly or indirectly act as a loan broker without registration under the Act unless exempt under the Act.
11. At all times relevant hereto, Respondent, its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, failed to file an application for

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registration as a loan broker with the Secretary of State prior to the aforementioned loan offer from the State of Illinois.

12. By virtue of the foregoing, Respondents its Officers, Directors, Employees, Affiliates, Successors, Agents, Assigns, have violated Section 15-10 and/or 15-85(b) of the Act.
13. Section 15-85(a) of the Act provides that it shall be a violation of the Act for a loan broker, in connection with a contract for the services of a loan broker, to either directly or indirectly:
 - (1) Employ any devices, scheme, or artifice to defraud;
 - (2) Make any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading; or
 - (3) Engage in any act, practice or course of business that operates or would operate as a fraud or deceit upon any person.
14. By virtue of the foregoing, Respondent violated Section 15-85(a)(1), (2) and (3) of the Act.
15. 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 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.
17. That based upon the foregoing, the Secretary of State deems it necessary, in order to prevent imminent and additional violations of the Act, and to prevent losses to investors as a result of the referenced prior violation of the Act, to enter an order pursuant to the authority granted under Section 15-55(c) and Section 15-55(d) of the Act which prohibits Respondents, its Officers, Directors, Employees, Affiliates, Successors, Agents, Assigns from acting as a loan broker in the State of Illinois.
18. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order is in the public interest and is consistent with the purposes of the Act.

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

1. That by virtue of the foregoing, Respondents Brooks and Goldman Financial, Philip S. Bradley and Charles E. Gradon have violated Sections 15-10, 15-85(a)(1), (2) and (3), and 15-85(b) of the Act.
2. That by virtue of the foregoing, Respondents Brooks and Goldman Financial, Philip S. Bradley and Charles E. Gradon, are subject pursuant to Section 15-55 of the Act, to an Order which permanently prohibits them from engaging in the business of loan brokering in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, **Respondents Brooks and Goldman Financial, Philip S. Bradley and Charles E. Gradon** are hereby prohibited from engaging in the business of loan brokering in the State of Illinois until further order of the Secretary of State.

ENTERED: This 19th day of May, 2014.



JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 15-85 of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 felony.

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 Illinois Securities Act, [14 Ill. Admin. Code Ch. I, Section 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.

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