

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

_____))
IN THE MATTER OF:))
CLAYTON COLLATERAL ADVISORS, INC.))
and THOMAS HANLEY and ROBERT T. TRUMPY) **FILE NO. 1100302**
agents, their partners, officers and directors,))
employees, affiliates, successors and assigns.))
_____)

NOTICE OF HEARING

TO RESPONDENTS: Thomas Hanley
60 West Magnolia Drive
Streamwood, Illinois 60107

Robert T. Trumpy
115 Calvin Drive
Springfield, Illinois 62704

Clayton Collateral Advisors, Inc
60 West Magnolia Drive
Streamwood, Illinois 60107

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill Adm Code 130, subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 7th day of August, 2013 at the hour of 10:00 a.m. or as soon thereafter as possible before James Kopecky, Esq. or such other designated Hearing Officer as the Secretary of State may appoint.

Said hearing will be held to determine whether a permanent Order shall be entered prohibiting Respondents **Thomas Hanley and Robert T. Trumpy and Clayton Collateral Advisors, Inc.** and their partners, officers and directors, agents and employees, affiliates, successors and assigns from offering loan brokering services in or from the State of Illinois and/or granting such other relief as may be authorized under the Act, including but not limited to, the imposition of a monetary fine in the maximum amount pursuant to Sec. 11.E(4) of the Act, payable within ten (10) days of the Order.

The grounds for such proposed action are as follows:

1. That Respondent Thomas Hanley (hereinafter at times "Hanley" or collectively with Robert T. Trumpy and Clayton Collateral Advisors, Inc. "Respondents"), has a last known address of 60 West Magnolia Drive, Streamwood, Illinois 60107.

Notice of Hearing

-2-

2. That Respondent Robert T. Trumpy (hereinafter at times "Trumpy" or collectively with Hanley and Clayton Collateral Advisors, Inc., "Respondents") has a last known address of 115 Calvin Drive, Springfield, Illinois 62704.
3. That Respondent Clayton Collateral Advisors, Inc. (hereinafter "Clayton, Inc." or collectively with Hanley and Trumpy "Respondents" at all relevant herein, was an Illinois corporation (dissolved 3/11/2011) located at 60 West Magnolia Drive, Streamwood, Illinois 60107.
4. That on or about May 3, 2010 Respondents, acting within the State of Illinois, agreed to locate and procure a loan ("Loan") for at least one client ("Client"), and accepted prepaid fees totaling \$75,000 paid by the client to Respondents.
5. That Respondents agreed with the Client to broker a transaction that would result in the Loan to the Client in the amount of \$350,000,000.
6. That the activities set forth in paragraphs 3- 5 are those of a "loan broker", as those terms are defined in Section 15-5.15(a) of the Illinois Loan Brokers Act of 1995 [815 ILCS 175/15-1 *et seq.*], (the "Act")
- 7 That 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.
8. That Respondents Thomas Hanley and Robert T. Trumpy and Clayton Collateral Advisors, Inc. were not registered with the Secretary of State as loan brokers as required by the Act prior to engaging in the business of loan brokering in the State of Illinois
9. That by virtue of the foregoing, Respondents Thomas Hanley, Robert T. Trumpy and Clayton Collateral Advisors, Inc have violated Sections 15-10 of the Act
- 10 That Section 15-55 (d) of the Act provides, *inter alia*, that "if the Secretary of State shall find that 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 this Act, the Secretary of State may by written order prohibit such person from acting as a loan broker in this State".

FRAUD

11. That Respondents failed to procure the Loan for the Client, and failed to return the \$75,000 prepaid fee to the Client.
12. That instead of procuring the Loan for the Client or returning the \$75,000 to the Client, Respondents converted and used the money for their own personal and business purposes.

Notice of Hearing

-3-

13. That Section 15-85 (a) of the Act provides, *inter alia*, that it is prohibited by the Act for a loan broker, in connection with a contract for the services of a loan broker, to either directly or indirectly employ any device, scheme or article to defraud, made any untrue statements of material fact, or engage in any act, practice or course of business that operates or would operate as a fraud or deceit upon any person.
14. That by virtue of the foregoing, Respondents Thomas Hanley and Robert T. Trumpy and Clayton Collateral Advisors, Inc. have violated Sections 15-85 (a) of the Act.


You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

The Rules promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department may be viewed online at <http://www.cyberdriveillinois.com/departments/securities/lawrules.html>.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent

Dated: This 3rd day of June 2013.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
James J. Tierney
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
312-793-9650