

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

TEMPORARY 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

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

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").

Temporary Order of Prohibition

-2-

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 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;

Temporary Order of Prohibition

-3-

- (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.

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, Brooks and Goldman Financial 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 until further order of the Secretary of State.

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60601 Such request must be made within

Temporary Order of Prohibition

-4-

thirty (30) days of the date of entry of this Temporary Order Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for ninety days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS TEMPORARY ORDER SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE TEMPORARY ORDER FINAL.

ENTERED: This 18th day of March, 2014.

A handwritten signature in black ink that reads "Jesse White". The signature is written in a cursive style and includes a large, stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Felicia H Simmons-Stovall
Enforcement Attorney
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384