

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2010-MBR-43
DENTON & McCARTNEY FINANCIAL, INC.)
D/B/A DM FINANCIAL)
License No. MB.6760487)
Attention: Don McCartney)
40 W. 320 Lafox Rd., Suite E)
St. Charles, IL 60174)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having investigated the activities of Denton & McCartney Financial, Inc. d/b/a DM Financial, (the "Licensee") and documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635] and the rules promulgated under the Act (the "Rules") [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5(h) (5) of the Act. The Department makes the following:

FINDINGS

1. That Denton & McCartney Financial, Inc. d/b/a DM Financial is an Illinois residential mortgage licensee holding license number MB.6760487 (the "License") and located at 40 W. 320 Lafox Rd., Suite E, St. Charles, Illinois 60174;
2. That on April 7, 2010, the Department was notified by a title examiner of a possible unlicensed branch office of Licensee operating at 64 Orland Square Drive, Suite 12, Orland Park, Illinois 60462 (the "Orland Park Office") and an investigation was opened;
3. That on April 7, 2010, the assigned investigator (the "Investigator") first determined from the Department's Licensing Section records and staff that Licensee did not possess an additional full service office license nor had applied for such a license for the Orland Park Office. The Investigator then proceeded that day to conduct an on-site visit of the Orland Park Office;
4. That upon arriving at the Orland Park Office, the Investigator observed residential mortgage activities including signage in Licensee's name and an office marker board listing three borrowers and references to funding dates/status, as well as securing business cards for Licensee's employees with the Orland Park Office address;

5. That in connection with this investigation, the Investigator interviewed Licensee's employees working out of the Orland Park Office including Joe (Jose A.) Guzman ("Guzman"; loan originator registration number 031.0011887 expired 6/30/2008) and Salvatore Gugliuzza ("Gugliuzza"; active loan originator registration number 031.0005858), as well as Licensee owner Don McCartney, a building management agent for the Orland Park Office, and Borrower W;
6. That the Investigator found evidence that Gugliuzza had signed on 2/24/2010 a personal guarantee for lease payments for the Orland Park Office, that Licensee had been in the Orland Park Office since 3/1/2010, that contrary to Gugliuzza's assertions Licensee and Gugliuzza had been conducting business from the Orland Park Office and not from the St. Charles corporate office for the identified loans, that contrary to Gugliuzza's assertions Licensee had not applied for an additional full service office license for the Orland Park Office prior to the Department's investigation, that contrary to Guzman's assertions that Guzman was only performing loan processing for Licensee that Guzman and not Gugliuzza had taken Borrower W's loan application, and that Licensee had advertised on its corporate website the names of two loan originators sponsored by Licensee when one individual (Cesaro) did not hold a valid Illinois loan originator registration and a second individual who was a registered loan originator (Hohep) was never sponsored by Licensee;
7. That on April 27, 2010, the Investigation Section filed its Report of Investigation (the "ROI") and created an enforcement issue due to Licensee operating an unlicensed additional full service office at the Orland Park Office and loan originator violations; and
8. That on May 4, 2010, the Department's Legal Section mailed to Licensee by U.S certified mail a Potential Disciplinary Order based upon the ROI, Licensee submitted a written response dated May 11, 2010, and the Department has determined that there is sufficient evidence that Licensee violated the Act and Rules as documented in the ROI.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

That notwithstanding notices and other efforts by the Department, Licensee is in violation of Sections 1-3(f), 2-4(d),(j),(k), & (z) and 3-3(a) of the Act and Section 1050.350 and 1050.910 of the Rules; and is in further violation of Sections 4-5(i) (11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS ORDERED:

1. That DENTON & McCARTNEY FINANCIAL, INC. d/b/a DM FINANCIAL, License No. MB.6760487, shall be and hereby is assessed a fine in the amount of \$20,000;
2. The fine in the amount of \$20,000 shall be due thirty (30) days after the effective date of this Order upon DENTON & McCARTNEY FINANCIAL, INC. d/b/a DM FINANCIAL; and

3. The fine in the amount of \$20,000 shall be paid by means of a certified check or money order made payable to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: MORTGAGE BANKING
320 West Washington, 6th Floor
Springfield, IL 62786**

ORDERED THIS 8TH DAY OF JULY, 2010

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
BRENT E. ADAMS, SECRETARY

DIVISION OF BANKING

JORGE A. SOLIS, DIRECTOR

You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code, 1050.1510 *et seq.* any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision and, if so requested, a hearing shall be held on the administrative decision, by the Department of Financial and Professional Regulation, Division of Banking. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].