

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
MCNEIL FINANCIAL GROUP, INC.) No. 2015-MBR-15
License No. MB.0004923)
Attention: Thomas J. Blake)
4 Cedar Ridge Dr. Suite B)
Lake In The Hills, IL 60156)

ORDER SUSPENDING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having reviewed the activities of **MCNEIL FINANCIAL GROUP, INC.** (“MCNEIL FINANCIAL GROUP”), 4 Cedar Ridge Dr. Suite B, Lake In The Hills, Illinois 60156, and having documented violations under the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this Order for violations of the Act and Rules.

STATUTORY PROVISIONS

1. Section 2-4 of the Act requires each application for a new or renewed license to be accompanied by averments to the Department, of which failure to fulfill the obligations of an averment shall subject the licensee to penalty, including in subsection (d) to file with the Department or Nationwide Mortgage Licensing System and Registry (“NMLS”) as applicable, when due, any report the licensee is required to file under any provisions of this Act; and in subsection (t) to comply with the Act and Rules.
2. Section 3-2 of the Act requires a broker licensee to file its most recent compilation financial statement with the Department or NMLS within 90 days after the end of the licensee’s fiscal year.
3. Section 3-5 of the Act requires a broker licensee to maintain net worth of not less than \$50,000.
4. Section 4-4(a) of the Act provides that every licensee shall file such other reports as the Department requests.
5. Section 4-5(h)(2) of the Act provides that when the Director finds any person in violation of the grounds set forth in subsection (i), the Director may enter an order imposing the penalty of suspension of a license subject to reinstatement upon satisfying all reasonable conditions as the Department may specify.

6. Section 4-5(i) of the Act provides grounds for discipline, in part, in subsection (11) for failure to comply with any order of the Department or the Rules; and in subsection (17) for failure to comply with or violation of any provision of the Act.
7. Section 1050.410 of the Rules requires each broker licensee to provide written evidence to the Department of the broker licensee's conformance with a net worth of \$50,000, as required by Section 3-5 of the Act. This Section further provides for the calculation of net worth.

FACTUAL FINDINGS

8. MCNEIL FINANCIAL GROUP is a residential mortgage broker holding Illinois Residential Mortgage License No. MB.0004923 ("License") with an expiration date of December 31, 2015. MCNEIL FINANCIAL GROUP has a fiscal year ending December 31 of each year.
9. MCNEIL FINANCIAL GROUP filed on April 1, 2015 its financial statement for the year ending December 31, 2014 ("2014 Financials"); the Department assessed a one-day late penalty as required by regulation and MCNEIL FINANCIAL GROUP paid the assessed penalty.
10. Upon review of the 2014 Financials, the Department determined that the 2014 Financials did not show net worth compliance per the Act and Rules. The Department requested that MCNEIL FINANCIAL GROUP provide by June 4, 2015 additional financials prepared by a certified public accountant ("CPA") to evidence minimum net worth in connection with the 2014 Financials.
11. MCNEIL FINANCIAL GROUP initially acknowledged the Department's regulatory request; however, has failed to properly respond to Department notices posted to the NMLS and to file the additional CPA-prepared financials.
12. Further, MCNEIL FINANCIAL GROUP has failed to file in the NMLS its Mortgage Call Reports for both Quarter 1 and Quarter 2 of calendar year 2015.

LEGAL CONCLUSION

13. MCNEIL FINANCIAL GROUP has violated Sections 2-4(d) & (t), 3-2, 3-5, 4-4(a) and 4-5(i)(11) & (17) of the Act and Section 1050.410 of the Rules.

NOW IT IS HEREBY ORDERED THAT,

The Department **SUSPENDS** MCNEIL FINANCIAL GROUP'S LICENSE pursuant to Section 4-5(h) (2) of the Act until it complies with the Act and Rules by delivering to the Department the requested CPA-prepared financials evidencing it is maintaining minimum net worth, including for the year ending December 31, 2014, and subject to additional discipline upon failure to so comply and timely submit application for renewal of its License for calendar year 2016.

ORDERED THIS ____ DAY OF _____, 2015

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

MICHAEL J. MANNION
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 affected party may file a request for a hearing on a decision by the Director. The request for a hearing and \$500 hearing fee payable by certified check or money order must be filed with the Department at 320 West Washington Street, 5th Floor, and Springfield, IL 62786 within 10 days after the appealing party's receipt of this Order. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in this Order pursuant to 38 Ill. Adm. Code 1050.1570. After receipt of a proper and timely request for hearing, 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].