

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

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**IN THE MATTER OF: PAUL MILLER; 7 WEST  
PARTNERS LLC; AND  
SOUTHERN MEDIA LLC**  
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**File No. C1000291**

**CONSENT ORDER OF PROHIBITION**

**TO THE RESPONDENTS:** 7 WEST PARTNERS LLC  
c/o Paul Miller  
702 S. Monroe  
Hinsdale, Illinois 60521

SOUTHERN MEDIA LLC  
c/o Paul Miller  
702 S. Monroe  
Hinsdale, Illinois 60521

PAUL MILLER  
702 S. Monroe  
Hinsdale, Illinois 60521

**To Respondent's Attorney:** Michael Martin-Johnston  
Thomas W. Lynch, P.C  
9231 S. Roberts Road  
Hickory Hills, Illinois 60457

WHEREAS, Respondents Paul Miller, 7West Partners, his/its partners, members, officers, directors, agents, employees, affiliates, successors and assigns, and Southern Media LLC,, his/its partners, members, officers, directors, agents, employees, affiliates, successors and assigns ("Respondents"), on the 11<sup>th</sup> of January, 2012, executed a certain Stipulation to Enter Consent Order of Prohibition (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondents have admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing issued dated February 4, 2011, in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Prohibition ("Consent Order").

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WHEREAS, by means of the Stipulation, Respondents have acknowledged that the following Findings of Fact are intended to be a final determination of the issues and Respondents agree that they shall be estopped from making arguments contrary to the Findings of Fact in any collateral proceeding(s).

WHEREAS, by means of the Stipulation, the Respondents have acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

BACKGROUND FACTS

- 1) 7 West Partners LLC ("Respondent 7West" or collectively with Respondent Paul Miller, "Respondents") is an Illinois corporation. Its last known address is 702 S. Monroe, Hinsdale, Illinois 60521
- 2) Southern Media LLC ("Respondent Southern" or collectively with Respondent Paul Miller, "Respondents") is purported an Illinois corporation. Its last known address is 702 S. Monroe, Hinsdale, Illinois 60521.
- 3) Paul Miller ("Respondent Miller" or collectively with Respondent 7West and/or Southern, "Respondents") was the sole Manager of Respondent 7West at all relevant times herein. His last known address is 702 S. Monroe, Hinsdale, Illinois 60521
- 4) Investor JL is a resident of Illinois
- 5) On or about July 23, 2009, on the behalf of Respondent Southern, Respondent Paul Miller offered and sold to Investor JL a \$15,000 8% rate of return, due in one year from the date of the investment. In exchange, JL gave respondents a check in the amount of \$15,000.00.
- 6) On or about November 10, 2009, on the behalf of Respondent 7West, Respondent Paul Miller offered and sold to Investor JL a \$45,000 6% rate of return, due upon demand from investor. In exchange, JL gave respondents two checks totaling \$45,000 00
- 7) From July 23, 2009 through May 5, 2010, Respondent Miller transferred funds invested by Investor JL to Respondent Miller's personal bank accounts.
- 8) To date, despite demands, the Respondents have failed to pay investor his principal and interest, pursuant to the terms of the promissory note.

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- 9) To date, despite demands, investor has not received monies back from his investments, pursuant to the terms of the promissory notes.
- 10) That the activities set forth in paragraphs above constitute the offer and sale of Notes, and therefore a security, as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq*

**COUNT I**

**815 ILCS 5/12.A and D violations: Respondents are  
unregistered securities.**

- 1-10) The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 10 above, as paragraphs 1 through 10 of this Count I.
- 11) Section 12.A of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (the "Act") states that it shall be a violation of the provisions of this Act for any person to "offer or sell any security except in accordance with the provisions of this Act."
- 12) Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois.
- 13) Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "fail to file with the Secretary of State any application, report or document under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
- 14) Respondents failed to file an application for registration of the above-referenced securities with the Secretary of State and as a result, the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
- 15) By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

**COUNT II**

**815 ILCS 5/12.F violation: Respondents engaged  
in practices in connection with the sale of securities  
that worked a fraud or deceit  
on the purchaser thereof**

- 1-10) The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 10 of Count I, as paragraphs 1 through 10 of this Count II.
- 11) Section 12.F of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "engage in any transaction, practice, or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof"
- 12) The facts alleged in paragraphs 1 through 11 above allege facts that show conduct by the Respondents that violate Section 12.F of the Act. In particular: Respondents did not invest Complainants' funds for the benefit of Complainants and instead, Respondents converted Complainants' money for Respondents' own personal use and benefit.

**COUNT III**

**815 ILCS 5/12.G violation: Respondents obtained  
Complainants' money by making  
untrue statement of material fact  
and omission to state a material fact**

- 1-10) The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 10 of Count I, as paragraphs 1 through 10 of this Count III
- 11) Section 12.G of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading."
- 12) The facts alleged in paragraphs 1 through 11 above allege facts that show conduct by the Respondents that violate Section 12.G of

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the Act. In particular, Respondents represented in marketing material how the investor's funds would be used to invest in a restaurant and radio broadcasting company. Instead, Respondents converted Complainants' money for Respondents' own personal use and benefit.

**COUNT IV**

**815 ILCS 5/12.I violation: Respondent employed a scheme to defraud in connection with the sale of securities**

- 1-10) The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 10 of Count I, as paragraphs 1 through 10 of this Count IV.
- 11) Section 12.I of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
- 12) The facts alleged in paragraphs 1 through 11 above allege facts that show conduct by the Respondents that violate Section 12.I of the Act. In particular, Respondent Miller Respondents solicited and sold promissory notes to investor purporting that the investor's funds would be used to invest in a restaurant and radio broadcasting company. Instead, Respondent converted Investor's funds for Respondent's own personal use and benefit.

WHEREAS, by means of the Stipulation Respondents have acknowledged that the following shall be adopted as the Secretary of State's Conclusion of Law.

Respondents violated Section 12.A, 12.D, 12.F, 12.I and 12.G of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they are fined in the amount of Two Thousand Five Dollars (\$2,500.00).

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the foresaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. The Respondents shall be PROHIBITED from offering and selling securities in or from the State of Illinois in compliance with the Illinois Securities Law of 1953.

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2. The Respondent is fined in this matter in the amount Two Thousand Five Dollars (\$2,500.00) made payable to the Office of the Secretary of State, and on January 26, 2012 has submitted Two Thousand Five Dollars (\$2,500.00) in payment thereof.
3. The Department shall retain jurisdiction over this proceeding for the sole purpose of enforcing the terms and provisions of the Stipulation herein.
4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

Entered: This 26<sup>th</sup> day of January, 2012



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 12.D 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 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 1360.1123}. 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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