

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

**IN THE MATTER OF: FARMARAZ "MARIO" AZODINIA;
EUGENE C. BEYER;
AND PINNACLE INVESTMENT GROUP LLC**

File No. C1000215

CONSENT ORDER

TO THE RESPONDENTS:

EUGENE C. BAYER
1594 N. St. Andrew Drive
Vernon Hills, Illinois 60061

c/o Lisa L. Wood
Law Offices of Paul M. Brayman
727 S. Dearborn Street
Suite 712
Chicago, Illinois 60605

WHEREAS, Respondents on the 12th day of July 2012 executed a certain Stipulation to Enter Consent Order (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 of the Secretary of State, Securities Department, dated December 20, 2011 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondents acknowledged, while neither admitting nor 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:

1. Pinnacle Investment Group LLC ("Respondent Pinnacle" or collectively with Respondents Farmaraz "Mario" Azodinia and Eugene C. Bayer, "Respondents") was an Illinois corporation. Its last known address is 1055 W, Bryn Mawr, Suite F-290, Chicago, Illinois 60660.

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2. Farmaraz "Mario" Azodinia ("Respondent Azodinia" or collectively with Respondents Pinnacle and Eugene C. Bayer, "Respondents") was the sole "manager" of Respondent Pinnacle. His last known address is 6351 W. Montrose, Apt 256, Chicago, Illinois 60634.
3. Eugene C. Bayer ("Respondent Bayer" or collectively with Respondents Pinnacle and Azodinia, "Respondents") was a salesperson for Respondent Pinnacle. His last known address is 1594 N. St Andrew Drive, Vernon Hills, Illinois 60061.
4. Between October 2007 and January 2008, Respondent Azodinia issued on behalf of Respondent Pinnacle Investment Group, LLC, promissory notes that promised investors 10-20 percent rates of return due within one year of the investment ("Notes" or "Note").
5. According to Complainants, they would give the check or checks they intended to invest directly to Respondent Bayer who in turn would provide them a receipt of their investments within a couple of days.
6. On or about October 19, 2007, on behalf of Respondent Pinnacle, Respondent Azodinia sold a \$20,000.00 20% promissory note to Investor DP, with principal and interest due in one year. In exchange, DP gave to Respondent Bayer a check in the amount of \$20,000.00, which was deposited into Respondent Pinnacle's account at New City Bank.
7. On or about February 8, 2008, on behalf of Respondent Pinnacle, Respondent Azodinia sold a \$50,000.00 20% promissory note to Investor SP, with principal and interest due in one year. In exchange, SP gave to Respondent Bayer a check in the amount of \$50,000.00, which was deposited into Respondent Pinnacle's account at U.S. Bank.
8. On or about March 11, 2008, on behalf of Respondent Pinnacle, Respondent Azodinia sold a \$25,000.00 10% promissory note to Investor DP, with principal and interest due in 90 days. In exchange, DP gave to Respondent Bayer three checks totaling \$17,500.00 and \$7,500.00 cash, which were deposited into Respondent Pinnacle's account at U.S. Bank.
9. On or about March 25, 2008, on behalf of Respondent Pinnacle, Respondent Azodinia sold a \$50,000.00 20% promissory note to Investor SP, with principal and interest due in ten months. In exchange, SP gave to Respondent Bayer a check in the amount of \$50,000.00, which was deposited into Respondent Pinnacles' account at U. S. Bank.
10. On or about April 23, 2008, on behalf of Respondent Pinnacle, Respondent Azodinia sold a \$50,000.00 20% promissory note to Investor DP, with principal and interest due in one year. In exchange, DP gave to

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Respondent Bayer a check in the amount of \$50,000.00, which was deposited into Respondent Pinnacle's account at U. S. Bank.

11. From on or about January 2008 through October 2008, Respondents Azodinia and Pinnacle paid approximately \$9,000.00 as "commission" to Respondent Bayer using funds from Respondent Pinnacle's bank account.
12. According to Investors, Respondents told them that the investor funds would be used to for earnest money to purchase property.
13. To date, despite demands, the Respondents have failed to pay the investors their principal and interest, pursuant to the terms of the promissory notes.
14. To date, despite demands, Investors have not received monies back from their investments, pursuant to the terms of the promissory notes.
15. That the activities set forth in paragraphs above constitute the offer and sale of Notes, and therefore securities, 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.*
16. 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."
17. 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.
18. 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."
19. 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.
20. Section 12.C 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

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for any person to “act as a dealer, salesperson, investment adviser, or investment adviser representative, unless registered as such, where such registration is required, under the provisions of this Act.”

21. Section 8 of the Act provides, *inter alia*, that except as otherwise provided, every dealer, limited Canadian dealer, salesperson investment adviser, and investment adviser representative shall be registered as such with the Secretary of State.
22. Respondent Bayer failed to file an application for registration as a salesperson with the Secretary of State, pursuant to Section 8 of the Act prior to the sale of securities to investors.

WHEREAS, by means of the Stipulation Respondent has acknowledged, while neither admitting or denying the truth thereof, that the following shall be adopted as the Secretary of State's Conclusions of Law:

1. Respondent Bayer have violated Section 12.A 12.C and 12.D of the Illinois Securities Law of 1953 (815 ILCS 5/1 *et seq.*);
2. Respondent Bayer is subject to an order that permanently prohibits him from offering and/or selling securities in or from the State of Illinois, in accordance with Sections 11.E(2) and 11.F(1) of the Act;

WHEREAS, by means of the Stipulation, Respondent Eugene C. Bayer shall, within 60 days of the entry of the aforesaid Consent Order, pay restitution in the amount of \$5,000.00, that such payment will be made by money order or cashier's check payable to DP and SP in the amount specified above, that said check will be mailed or delivered in a timely manner to DP and/or SP and that a copy of said check will be mailed in a timely manner to Felicia H. Simmons-Stovall, Illinois Department of Securities, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602.

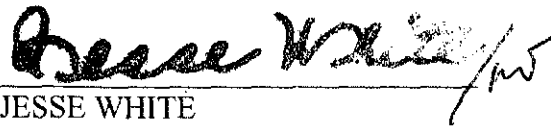
WHEREAS, by means of Stipulation Respondent Bayer have acknowledged and agreed that Eugene C. Bayer, his/its affiliates, employees, successors and assigns, shall be permanently prohibited from offering or selling securities in the State of Illinois.

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

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. Acknowledges and agrees that Respondent Bayer shall, within 60 days of the entry of the aforesaid Consent Order, pay restitution in the amount of \$5,000.00, that such payment will be made by money order or cashier's check payable to DP and SP in the amount specified above, that said check will be mailed or delivered in a timely manner to DP and/or SP and that a copy of said check will be mailed in a timely manner to Felicia H. Simmons-Stovall, Illinois Department of Securities, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602.
2. Respondent Eugene C. Bayer is permanently **PROHIBITED** from offering and/or selling securities in or from the State of Illinois.
3. The Notice of Hearing issued in this matter is hereby dismissed.

ENTERED: This 19th day of July 2012.



JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12(D) of the Illinois Securities Law of 1953 [815 ILCS 5] (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 this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State:
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Hearing Officer:
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