

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

IN THE MATTER OF: Quad City Investment Advisors, LLC.

) FILE NO. 1100214
)

CONSENT ORDER OF FINE

TO THE RESPONDENT: Quad City Investment Advisors, LLC.
(CRD#: 112187)
3551 7th Street
Moline, Illinois 61265

WHEREAS, Respondent on the 22nd day of June, 2011 executed a certain Stipulation to Enter Consent Order of Fine (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department dated May 10, 2011 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Fine ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent 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 use same facts here as in Stipulation.:

1. That the Respondent is an Illinois based Federal Covered Investment Adviser (FCIA) since May 22, 2001. The Respondent engages in the business of providing investment advisory services to the general public.
2. That the Respondent during the period of January 1, 2006 to the present employed two (2) individuals to act on it's behalf as investment adviser representatives. These individuals provided investment advisory services to residents of the State of Illinois at a time when they were not in compliance with the registration requirements of Section 8 of the Act.

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3. That Section 130.839 of the Rules of the Act provides, inter alia, that:
 - a) Effective October 1, 2002, each new applicant filing as an investment adviser or federal covered investment adviser shall file with the NASD, utilizing the IARD, a complete Form U-4 for each investment adviser representative and pay the filing fee specified in Section 130.110 of this Part.
 - b) For purposes of the annual re-registration of investment adviser representatives, each investment adviser and federal covered investment adviser shall file with the NASD, utilizing the IARD, and pay the filing fee specified in Section 130.110 of this Part.
4. That Section 12.D of the Act provides, inter alia, 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 required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
5. That by virtue of the foregoing, the Respondent has committed a violation of Section 12.D of the Act.
6. That Section 11.E (3) of the Act provides, inter alia, that If the Secretary of State shall find that any person is acting or has acted as a federal covered investment adviser, without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order suspend the person from acting as a federal covered investment adviser in this State.

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the Secretary of State has adopted the following additional Finding of Fact: That Section 11.E(4) of the Act provides that in addition to any other sanction or remedy contained in this subsection E, the Secretary of State, after finding that any provision of this Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of this Act, may issue an order of public censure against the violator, and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusions of Law:

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- 1) The Respondent has committed a violation of Section 12.D of the Act;
- 2) The Respondent is subject to the entry of an order suspending it from acting as a federal covered investment Adviser in the State of Illinois; and
- 3) That by virtue of the foregoing, the Respondent is subject to a fine pursuant to Sections 12.D and 11.E(4) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they shall be FINED twenty Thousand dollars (\$20,000.00), to be paid by certified or cashier's check, made payable to the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they shall be levied fees and costs as follows: one thousand five hundred dollars (\$1,500.00) representing back registration fees for two (2) investment adviser representatives; and one Thousand five Hundred dollars (\$1,500.00) to cover the cost incurred during the investigation of this matter, to be paid by certified or cashier's check , made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they have submitted with the Stipulation a certified or cashier's check in the amount of twenty three Thousand dollars (\$23,000.00). Said sum is allocated as follows: twenty Thousand dollars (\$20,000.00) as FINE for violations of the Act; one thousand five Hundred dollars (\$1,500.00) representing back registration fees for two (2) investment adviser representatives; and one Thousand five Hundred dollars (\$1,500.00) to cover the costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

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 ORDER THAT:


1. Respondent is FINED in the amount of twenty Thousand dollars (\$20,000.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on, 2011 has submitted twenty Thousand dollars (\$20,000.00) in payment thereof.

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2. Respondent is levied back registration fees in the amount of one thousand five hundred dollars (\$1,500.00) for two (2) investment adviser representatives, payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and of June 22, 2011 has submitted one thousand five Hundred dollars (\$1,500.00) in payment thereof.
3. Respondent is levied costs of investigation in this matter in the amount of one Thousand five Hundred dollars (\$1,500.00); payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on 2011 has submitted one Thousand five Hundred dollars (\$1,500.00) in payment thereof.
4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 22nd day of June 2011.



JESSE WHITE
Secretary of State
State of Illinois

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