STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

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IN THE MATTER OF: STEWART INTERNATIONAL)	File No. C0600290
CONSULTANTS, LTD., and PATRICIA A. STEWART)	
)	

ORDER OF PROHIBITION

TO THE RESPONDENTS: STEWART INTERNATIONAL CONSULTANTS, LTD.

c/o Patricia A. Stewart, President

160 E. Illinois Street Chicago, Illinois 60611

PATRICIA A. STEWART 160 E. Illinois Street Chicago, Illinois 60611

WHEREAS, the above-captioned matter came to be heard on May 2, 2011, pursuant to the Notice of Hearing dated January 19, 2011, filed by Petitioner Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative;

WHEREAS, Attorney Felicia Simmons-Stovall appeared on behalf of the Illinois Securities Department ("Department") and introduced documentary evidence and witness testimony in support of the allegations contained in the Notice of Hearing;

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State;

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct in part and incorrect in part and are hereby adopted as modified as the Findings of Fact of the Secretary of State:

- 1. The Department properly attempted to serve the Notice of Hearing on Respondents by certified mail/return-receipt requested and properly served Respondents via the Index system.
- 2. The Respondents failed to answer or otherwise appear at the hearing in accordance with Section 130.1104.
- 3. Respondents waived their right to a hearing.
- 4. Stewart International Consultants, Ltd. (hereinafter "SIC" or collectively with Patty Stewart "Respondents"), was an Illinois corporation. Its last known address was 1420 N. Lake Shore Drive, #3B, Chicago, Illinois 60610.
- 5. Patricia Stewart (hereinafter "Stewart" or collectively with SIC "Respondents") was the president of Respondent SIC, at all relevant times herein. Her last known address is 160 E. Illinois Street, Chicago, Illinois 60611. Respondent Stewart was a registered salesperson in Illinois until December 31, 1995.
- 6. Physicians Remote Solutions, Inc. (hereinafter "PRS") is a Florida corporation, formed on or about April 5, 2005. Its last known address is 5 Ridge Road, Cos Cob, Connecticut, 06807.
- 7. At all relevant times, Gary Cella (hereinafter "Cella") was president of PRS. His last known address is 5 Ridge Road, Cos Cob, Connecticut, 06807.
- 8. At all relevant times, Jonathan B. Reisman (hereinafter "Reisman") was a beneficial owner of PRS. His last known address is 6975 NW 62nd Terrace, Parkland, Florida 33067.
- 9. On or about February 6, 2006, PRS filed a Registration Statement under the Securities Act of 1933 (SB-2) with the U. S. Securities and Exchange Commission for registration of securities to be sold to the public by small business issuers.
- 10. On or about April 12, 2006, PRS filed Amendment No. 1 to Form SB-2. Per Amendment No. 1, in November 2005, the Respondent Stewart received a fee of 177,000 shares and \$9,250.00 in connection with the private placement.

- In addition, Respondent Stewart received a fee of \$5,000.00 and 128,000 shares from Cella and Jonathan Reisman in connection with 500,000 shares sold by them at \$.10 per share. Respondent Stewart purchased additional shares from Cella and Reisman at \$.10 per share.
- 12. On or about July 10, 2006, Respondent Stewart sold to Investor LD approximately 80,000 shares of stock she held in PRS, without a registration statement in effect, and no exemption from registration being available.
- 13. On or about July 10, 2006, Respondent Stewart sold to Investor DW approximately 25,000 shares of stock she held in PRS, without a registration statement in effect, and no exemption from registration being available.
- 14. On or about July 10, 2006, Respondent Stewart sold to Investor TS approximately 19,500 shares of stock she held in PRS, without a registration statement in effect, and no exemption from registration being available.

WHEREAS, the Secretary of State finds the proposed Conclusions of Law of the Hearing Officer to be correct in part and incorrect in part and are hereby adopted as modified, based on the law and the record in this matter, and adopts them as the Conclusions of Law of the Secretary of State:

- 1. The Department properly served the Notice of Hearing on Respondents.
- 2. The Notice of Hearing included the information required under Section 1102 of the Code.
- 3. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
- 4. Because of Respondents' failure to file a timely answer, special appearance or other responsive pleading in accordance with Section 130.1104:
 - a. The allegations contained in the Amended Notice of Hearing are deemed admitted;
 - b. Respondents waived their right to a hearing; and
 - c. Respondents are subject to an Order of Default.

- 5. Because the Respondents failed to appear at the time and place set for hearing, in accordance with Section 130.1109 of the Rules, he:
 - a. waived their right to present evidence, argue, object or cross examine witnesses; or
 - b. otherwise participate at the Hearing.
- 6. The activities set forth in paragraphs 1 through 14 of the Findings of Fact above constitute the offer and sale of stock, 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.
- 7. 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."
- 8. Section 5 of the Act provides, <u>inter alia</u>, 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.
- 9. 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.
- 10. The facts alleged in paragraphs 1 through 15, demonstrate that Respondents violated Section 12.A and 12.D of the Act. In particular: Respondents failed to meet the exemption requirements of the Act by offering or selling securities by means of general solicitation in Illinois. 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.
- By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

WHEREAS, the Hearing Officer recommended that:

1. An order be entered permanently prohibiting Respondent Patricia A. Stewart from selling or offering for sale securities in the State of Illinois;

- 2. An order be entered permanently prohibiting Respondent Stewart International Consultants, Ltd., from selling or offering for sale securities in the State of Illinois;
- 3. Respondent Patricia A. Stewart be fined \$10,000; and
- 4. Respondent Stewart International Consultants, Ltd., be fined \$10,000.

WHEREAS, the Hearing Officer found the Respondents in default and recommended that the Secretary of State PROHIBIT Respondent Patricia A. Stewart from offering or selling securities in the state of Illinois; and the Department accepts the recommendation of the Hearing Officer.

WHEREAS, the Hearing Officer found the Respondents in default and recommended that the Secretary of State PROHIBIT Respondent Stewart International Consultants, Ltd. from offering or selling securities in the state of Illinois; and the Department accepts the recommendation of the Hearing Officer.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered permanently PROHIBITING Respondent Patricia A. Stewart from offering or selling securities in the State of Illinois.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered permanently PROHIBITING Respondent Stewart International Consultants, Ltd. from offering or selling securities in the State of Illinois.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered that Respondent Patricia A. Stewart be fined in the amount of \$10,000.00.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered that Respondent Stewart International Consultants, Ltd. be fined in the amount of \$10,000.00.

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED THAT:

- 1. Patricia A. Stewart is **PROHIBITED** from offering, and/or selling securities in the State of Illinois;
- 2. Stewart International Consultants, Ltd. is **PROHIBITED** from offering, and/or selling securities in the State of Illinois;
- 3. Patricia A. Stewart is **FINED** in the amount of \$10,000.00.
- 4. Stewart International Consultants, Ltd. is **FINED** in the amount of \$10,000.00.

ENTERED: This 3rd day of June 2011

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 Act. Any person or entity who fails to comply with the terms of this Order shall be a violation of 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 this Order, shall be guilty of Class 4 felony.

This is a 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 Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). 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.

Felicia H. Simmons-Stovall Enforcement Attorney Illinois Securities Department 69 West Washington Street, Suite 1220 Chicago, Illinois 60602 312-793-3384