

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

IN THE MATTER OF:

Frantz E. Vaneus,

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) **File Number: C1000238**
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TEMPORARY ORDER OF PROHIBITION

TO RESPONDENT: Frantz E. Vaneus
1550 North Lake Shore Drive
Unit #17B
Chicago Illinois 60610

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

1. Respondent **Frantz E. Vaneus**, (“Respondent Vaneus”) is an unregistered individual at the last known addresses of 1550 North Lake Shore Drive, Unit #17B, Chicago Illinois 60610.

COUNT 1
FRAUD IN THE OFFER AND SALE OF SECURITIES
Misrepresentations and Omissions of Fact to Client

2. Investor A resides in Chicago, Illinois. In March, 2010, Investor A gave Respondent Vaneus a personal check in the amount of \$13,500, for investment purposes. Investor A’s check was made payable directly to Respondent Vaneus.
3. Respondent Vaneus held himself out to Investor A as having expertise in investing.

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4. Respondent Vaneus represented to Investor A he would establish an investment account on Investor A's behalf at Brokerage Firm.
5. Respondent Vaneus solicited an investment from Investor A and accepted \$13,500. Investor A requested paperwork from Respondent Vaneus pertaining to the alleged account repeatedly but Respondent Vaneus failed to provide Investor A with any such paperwork in connection with the purported \$13,500 "investment."
6. Investor A contacted Brokerage Firm directly and was informed by Brokerage Firm no such account existed under Investor A's name despite representations made to Investor A by Respondent Vaneus that Respondent Vaneus would open an investment account on behalf of Investor A.
7. Investor A made several demands to Respondent Vaneus for the return of Investor A's \$13,500 investment.
8. Respondent Vaneus has made several promises to repay Investor A but has failed to do so.
9. Section 12.F of the Act provides that it shall be a violation of the provisions of this Act for any person to engage in any transaction, practice or course of business in connection with the sale of purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
10. Section 12.G of the Act provides that it shall be a violation of the provisions of this 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.
11. Section 12.I of the Act provides that it shall be a violation of the provisions of this 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. Section 12.J(1) of the Act provides, *inter alia*, that it shall be a violation of the provisions of this Act for any investment adviser representative or registered representative, by any means or instrumentality, directly or indirectly, to employ any device, scheme or artifice to defraud any client or prospective client.
13. Section 12.J(2) of the Act provides, *inter alia*, that it shall be a violation of the provisions of this Act for any investment adviser representative or registered representative, by any means or instrumentality, directly or indirectly, to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

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14. Section 12.J(3) of the Act provides, *inter alia*, that it shall be a violation of the provisions of this Act for any investment adviser representative or registered representative, by any means or instrumentality, directly or indirectly, to engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative.
15. By virtue of the foregoing, Respondent Vaneus violated Sections 12.F, 12.G, 12.I, 12.J(1), 12.J(2), and 12.J(3) of the Act.

PROHIBITION AND SUSPENSION

16. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend the offer or sale of securities by any person, and temporarily prohibit or suspend the registration of an investment adviser representative or registered representative without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
17. The entry of this **Temporary Order** prohibiting **Respondent Vaneus**, from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.
18. The aforementioned findings are based upon credible evidence.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act,

1. **Respondent Vaneus** is **TEMPORARILY PROHIBITED** from offering or selling securities in or from this State; and

NOTICE is hereby given that **Respondent Vaneus** may request a hearing on this matter by transmitting such request in writing to:

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Lisa Michelle Kaplan
Enforcement Attorney
Illinois Securities Department
Office of the Secretary of State
69 West Washington Street, Suite 1220
Chicago, Illinois 60602

Such request must be made within thirty (30) calendar days of the date of entry of the **Temporary Order of Prohibition**. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and Suspension.

FAILURE OF ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALANDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION AND SUSPENSION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION AND SUSPENSION FINAL.

Dated this 18th day of June 2010.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Lisa Michelle Kaplan
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Illinois Securities Department
Office of the Secretary of State
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