

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:)

Pernell Edwards Clark (CRD# 4489648),)

) File Number: C1000156
)

NOTICE OF HEARING

TO RESPONDENT:

Pernell Edwards Clark
P.O. Box 965639
Marietta, Georgia 30066

Pernell Edwards Clark
411 Mason Lane
Lake In The Hills, Illinois 60156

Pernell Edwards Clark
921 Connolly Dr NW
Kennesaw, Georgia 30144-6660

Pernell Edwards Clark
3258 Ashmore Hall Dr
Marietta, Georgia 30062-6698

Pernell Edwards Clark
1625 Roswell Road, Apt #322
Marietta, Georgia 30062-3682

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You are hereby notified, in accordance with Sections 11.E and F of the Illinois Securities Law of 1953 [815 ILCS 5/11.E and F] ("Act") and 14 Ill. Adm. Code 130, subpart K, a public hearing will be held at the Secretary of State's office at 69 West Washington Street, Suite 1220, Chicago Illinois 60602, on the 25th day of June, 2010 at 10:00 a.m., or as soon thereafter as possible before Soula Spyropoulos, or such other hearing officer as the Secretary of State may designate.

At this hearing, the Illinois Securities Department of the Office of the Secretary of State shall seek entry of an order granting any or all of the following relief:

1. Prohibition of the Respondent from offering or selling securities in or from the State of Illinois, in accordance with Sections 11.E(2) and 12.H of the Act.
2. Imposition of fines not to exceed \$10,000 against the Respondent for each violation of the Act described below; entry of orders of public censure; and charging as costs of investigation all reasonable expenses, including attorney's fees and witness fees, in accordance with Section 11.E(4) of the Act.

The grounds for this proposed action are as follows:

NATURE OF CASE

This case involves a formally registered representative, Respondent Pernel Edwards Clark. Respondent Clark knew Investor for more than seven (7) years in a professional capacity. Throughout the years, Respondent Clark acted as a financial advisor to Investor, as well as to several other people Investor knows. Sometime in late August of 2009, Respondent Clark propositioned Investor to invest \$5000 in a specific Hedge Fund. Respondent Clark promised Investor the investment would be wise and provide substantial returns. Investor gave Respondent Clark \$5000 in the form of a personal check, made payable directly to Respondent Clark. Investor indicated on the check memo that the \$5000 was intended for investment in this specific Hedge Fund. Sometime in September of 2009, Investor learned of some issues with regard to her alleged \$5000 investment with the specific Hedge Fund. Investor contacted Hedge Fund directly and spoke with the Hedge Fund's Chief Compliance Officer. Investor learned that she did not have an account with Hedge Fund and neither did Respondent Clark. Furthermore, Investor learned Hedge Fund requires its investors to have a net worth of 1.5 million dollars and investments must be at least \$100,000 at a time. Investor and Investor's \$5000 investment meet neither of these requirements. Investor confronted Respondent Clark and he offered to return Investor's \$5000 investment. Initially, Respondent Clark mailed Investor a check, drawn on Bank B. Investor contacted Bank B before presenting Respondent Clark's check in order to

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verify whether the funds were available in the account. Bank B confirmed to Investor there were no funds available in the account at that particular time. Investor confronted Respondent Clark yet again, demanding the return of Investor's \$5000 investment. Respondent Clark eventually wired \$5000 directly into Investor's personal account at Bank A. Six (6) months after entrusting Respondent Clark with Investor's funds, Investor was able to recover her \$5000 investment through Investor's own diligent efforts.

COMMON FACTS

1. Respondent Pernell Edwards Clark ("Respondent Clark") is a natural person and was formally a registered representative at World Equity Group, Inc. with a last known address of 1650 North Arlington Heights Road, Suite 100, Arlington Heights, Illinois 60004.
2. Currently, Respondent Clark is neither authorized to offer or sell securities, nor is he registered as an investment adviser representative in the State of Illinois. Respondent Clark was last recognized as a registered representative in the State of Illinois in January of 2008.
3. Investor is an investor who resides in Chicago, Illinois.

COUNT 1

FRAUD IN THE OFFER AND SALE OF SECURITIES

Misrepresentations and Omissions of Fact to Client

4. On a certain date in late August of 2009, Investor gave Respondent Clark \$5000 in the form of a personal check, made payable to Respondent Clark, for investment purposes.
5. Investor indicated in the memo of her personal check that the \$5000 was intended to be invested in a specific investment.
6. Investor gave Respondent Clark a personal check, made payable to Respondent Clark personally, in the amount of \$5000.

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7. Respondent Clark never placed Investor's \$5000 with the intended investment.
8. In or about September 2009, Investor and Respondent Clark had a conversation regarding some issues with the alleged investment. At that point, Respondent Clark offered to return Investor's \$5000.
9. Investor contacted Respondent Clark several times during the next few months but failed to receive Investor's \$5000.
10. After numerous attempts to retrieve Investor's \$5000, Respondent Clark eventually wired \$5000 directly into Investor's personal bank account.
11. Respondent Clark told Investor her \$5000 would be invested in a specific investment and it was not. Regardless of where Investor's money was actually deposited, Respondent Clark acted in a deceitful and fraudulent manner. Respondent Clark made an untrue statement to Investor of a material fact.
12. 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.
13. 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.
14. By virtue of the foregoing, Respondent Clark violated Sections 12.F and 12.G of the Act.

YOU ARE FURTHER NOTIFIED that you are required to file an answer to the allegations outlined above or other responsive pleading within ten days of service of this notice on you, in accordance with Section 130.1104(a) of the Rules and Regulations under the Illinois Securities Law ("Rules"). Your failure to do so within the prescribed time shall be construed as an admission of the allegations contained in this notice and waives your right to a hearing. Upon such failure, the hearing officer shall make a recommendation that an appropriate order be centered, including finding you in default. The answer and all other pleadings and motions must be filed with the Illinois Securities Department by addressing them to:

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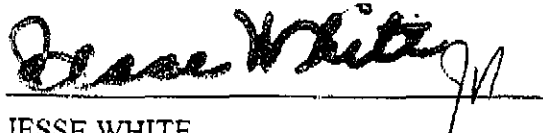
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Lisa Michelle Kaplan
Enforcement Attorney
Illinois Securities Department
Office of Secretary of State
69 West Washington Street, Suite 1220
Chicago Illinois 60602

You may appear personally on your own behalf, or be represented by an attorney. You or your attorney may present evidence; cross-examine witnesses; and otherwise participate in this proceeding. A failure to appear shall constitute default by you.

A copy of the Rules and Regulations promulgated under the Illinois Securities Law and pertaining to hearings held by the Office of the Secretary of State, Illinois Securities Department, are available at <http://www.ilga.gov/commission/jcar/admincode/014/01400130sections.html>, or via US Mail upon request.

Entered: This 30th day of April, 2010.

A handwritten signature in black ink, appearing to read "Jesse White", written over a horizontal line.

JESSE WHITE
Secretary of State
State of Illinois

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