

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF:

Anthony Pritchard

File No. 0700502

**ORDER OF PROHIBITION**

TO THE RESPONDENTS: Anthony Pritchard  
12513 Live Oak Dr.  
Louisville, Kentucky 40243

WHEREAS, a Temporary Order of Prohibition was issued by the Illinois Secretary of State, on August 31, 2009, temporarily prohibiting the Respondents from offering or selling securities in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Final Findings of Fact as follows:

**Count I**

**FRAUD IN THE SALE OF SECURITIES**

1. Respondent Anthony Pritchard ("Respondent") is a natural person with a last known address of 12513 Live Oak Dr., Louisville Kentucky 40243.
2. Investor is an Illinois Resident.
3. That Respondent used E-Bay's auction web site to solicit Illinois investors to enter into an agreement whereby Respondent would manage potential investors' money.

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4. That Respondent stated on E-Bay's web-site that he had often invested the funds of other persons and that he had consistently generated a 100% rate of return for his past clients.
5. That the Respondent's web site also included Respondent's phone number for potential investors to contact him.
6. That Respondent contacted Investor by e-mail and by telephone.
7. That Respondent told Investor on the phone that he had developed a reliable options trading program that could consistently generated a one hundred percent rate of return on Investor's money.
8. Respondent then offered to invest Investor's money, promising a 100 percent rate of return on Investor's investment.
9. Respondent also told Investor that in exchange for investing Investor's money, Respondent would keep a portion of the profits generated by Respondent's options trading strategy.
10. On or about March 26, 2007, Investor sent a check to Respondent for \$1,000 to be invested by Respondent using his options trading program.
11. That on September 27, 2006, Respondent entered into an order (hereinafter the "Order") with the Kentucky Office of Financial Institutions (hereinafter "Kentucky Office") whereby the Kentucky Office alleged that Anthony Pritchard sought investors via an EBay website to place money with Respondent to invest in the stock market on his and their collective behalf in exchange for a return or financial reward to all investors from such activity.
12. The Order also stated that Respondent was advised by the Kentucky Office that his conduct in soliciting investors via his EBay website would be a violation of the Act absent proper registration of the interests offered in addition to the registration of Respondent himself.
13. Pursuant to that Order Respondent agreed:
  - a. That Respondent shall not violate the Securities Act of Kentucky in the future.
  - b. That Respondent shall not sell or offer securities.
  - c. That Respondent shall not be an officer, director or manager or other such control person of an entity that sells or offers securities.
  - d. That Respondent shall not engage in the business of an investment adviser in any capacity unless properly registered as such.
14. That at no time did Respondent ever disclose any of the details of the Order to Investor.

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15. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
16. Section 12.J(1) of the Act provides, *inter alia*, that it shall be a violation of the Act when acting as an investment adviser to employ any device, scheme or artifice to defraud any client.
17. Section 12.J(2) of the Act provides, *inter alia*, that it shall be a violation of the Act when acting as an investment adviser to engage in any transaction which operates as a fraud upon any client.
18. Section 12.J(3) of the Act provides, *inter alia*, that it shall be a violation of the Act when acting as an investment adviser to engage in any course of business which is fraudulent, deceptive or manipulative.
19. By virtue of the foregoing, Respondent Pritchard has violated 12.F, and 12.J of the Act.

**Count II**

**UNREGISTERED DEALER/SALESPERSON /INVESTMENT ADVISER OR  
INVESTMENT ADVISER REPRESENTATIVE**

20. Counts 1-21 are re-alleged and incorporated by reference.
21. Respondent Pritchard is not registered as an investment adviser or investment adviser representative, in the State of Illinois.
22. The activities described above constitute the activities of an investment adviser as that term is defined in Section 2.11 of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
23. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to act as an investment adviser or investment adviser representative unless registered as such, where such registration is required, under the provisions of the Act.
24. By virtue of the foregoing, Respondent Pritchard has violated 12.C of the Act.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Temporary Order as the Secretary of State's Conclusions of Law as follows:

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Respondents violated Sections 12.F, 12.J and 12.C of the Act.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, the Respondent, Anthony Pritchard **shall be and is hereby permanently PROHIBITED** from offering or selling any securities and offering or giving investment advice in or from the State of Illinois.

Dated: This 7<sup>th</sup> day of October 2009.



JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the 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 the Order, shall be guilty of a 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 Illinois Securities Act, {14 Ill. Admin. Code Ch. I, Section 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.

Attorney for the Secretary of State:  
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