STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: THE PHOENIX GROUP,	١
CHRISTIAN BURNETT, MICHAEL COOMBS, and)
ELYESSE CONCEPCION a/k/a ELYESSE)
CONCEPTION.)
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File No. 0500186

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS: THE PHOENIX GROUP

5000 W. Oakley Blvd.

Unit A-7

Las Vegas, NV 89146

THE PHOENIX GROUP

3653 A South Federal Highway #142

Boynton Beach, FL 33435

THE PHOENIX GROUP

2301 Tuscany Way

Boynton Beach, FL 33435

CHRISTIAN BURNETT

PRESIDENT-THE PHOENIX GROUP

5000 W. Oakley Blvd.

Unit A-7

Las Vegas, NV 89146

MICHAEL COOMBS

SENIOR CONSULTANT- THE PHOENIX GROUP

370 E. Harmon Ave.

Las Vegas, NV 89109-7003

ELYESSE CONCEPCION a/k/a ELYSEE

CONCEPTION

INVESTOR RELATIONS-THE PHOENIX GROUP

5000 W. Oakley Blvd.

Unit A-7

Las Vegas, NV 89146

On information and belief, I, Jesse White, Secretary of 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:

BACKGROUND FACTS

- 1. The Phoenix Group ("Respondent PG") is an unincorporated entity acting through Representatives Christian Burnett, Michael Coombs and Elyesse Concepcion (together as "Respondents") with last known addresses of: 1) 5000 W. Oakley Blvd., Unit A-7, Las Vegas, Nevada, 89146; 2) 3653 A South Federal Highway #142, Boynton Beach, Florida, 33435; and 3) 2301 Tuscany Way, Boynton Beach, Florida, 33435.
- 2. The Phoenix Group is registered with the Fictitious Name Division of the Florida Secretary of State, with Respondent Christian Burnett listed as the Owner, but with no FEI number or state of incorporation listed on the application.
- 3. Christian Burnett ("Respondent Burnett") has a last known address of 5000 W. Oakley Blvd., Unit A-7, Las Vegas, Nevada, 89146. At all relevant times Respondent Burnett held himself out to be the President and Owner of Respondent PG.
- 4. Michael Coombs ("Respondent Coombs") is a resident of Nevada, with a last known address of 370 E. Harmon Ave., Las Vegas, Nevada, 89109-7003. At all relevant times Respondent Coombs held himself out to be the Senior Consultant at Respondent PG.
- 5. Elyesse Concepcion a/k/a "Elysee Conception" ("Respondent Concepcion") has a last known address of 5000 W. Oakley Blvd., Unit A-7, Las Vegas, Nevada, 89146. At all relevant times Respondent Conception held herself out to be the head of Investor Relations at Respondent PG.
- 6. In late September 2003, Respondent Coombs cold-called two Illinois Citizens ("Investors") offering to sell private placement shares (the "Private Placement") in a classic entertainment company ("Entertainment Company")¹, a California company.

¹ The Entertainment Company, which purchases the rights to classic television shows and movies and sells licensing rights in the programs to television and cable companies, is a company whose name was used by Respondents as part of their fraudulent scheme, and the Department's investigation did not find that the Company, its members, executives, or its directors had any knowledge of the Respondents' use of the Company's name to further their fraudulent scheme, and therefore, its name has been withheld from this Order.

- 7. Respondent Coombs told Investors that Entertainment Company would soon go public and the Private Placement would turn profitable soon after the offering.
- 8. Respondents sent Investors a purported informational packet about Entertainment Company and the alleged Private Placement (the "Private Placement Memorandum"). The Private Placement Memorandum provided Respondent PG's telephone numbers, 1-800-326-1428 and 1-561-827-4662, for consumers to obtain more information on investing in the purported public offering of Entertainment Company.
- 9. On or about September 16, 2003, Respondents sent Investors a letter signed by Respondent Coombs, made out on Respondent PG letterhead, offering for sale Private Placement shares of Entertainment Company.
- 10. On September 18, 2003, Investors wired twenty-five thousand dollars (\$25,000.00) to Respondent PG's Washington Mutual Bank Account, #489-42-0-5826, for the purpose of investing in the Entertainment Company Private Placement.
- 11. On or about October 13, 2003, Respondent Concepcion sent Investors a letter confirming their purchase of 25,000 shares of Entertainment Company stock.
- 12. On or about October 14, 2003, Respondents sent Investors a follow-up letter signed by Respondent Coombs providing information on the status of the purported public offering. This letter also informed that Respondent Burnett is the President of Respondent PG; Respondent Concepcion is the head of Investor Relations; and that Respondent Coombs is the Senior Consultant of Respondent PG.
- 13. On October 23, 2003, Investors wired an additional fifteen thousand dollars (\$15,000.00) to Respondent PG's Washington Mutual Bank Account to purchase additional shares of Entertainment Company in the Private Placement.
- 14. In March 2004, Respondents sent Investors what was purported to be a stock certificate ("Stock Certificate") for Investors' 40,000 shares of Entertainment Company. Affixed to the Stock Certificate was the purported signature of the President of Entertainment Company².

² The name of the President of the Entertainment Company is also withheld.

- 15. Once Investors received the Stock Certificate, Respondents failed and refused to answer the telephone, and failed and refused to respond to Investors' recorded messages.
- 16. Around the Summer of 2003, Investors called the President of Entertainment Company regarding their purchase of Private Placement shares. The President of Entertainment Company informed Investors that several other individuals had contacted him regarding Respondents' Private Placement of shares in the Company, and informed them that Respondents were never authorized to solicit the sale of shares for the company, nor did Respondents ever provide any of the funds invested to the Company.
- 17. The Entertainment Company Private Placement Memorandum, discussed at Paragraph 8, that Respondents mailed to Investors was not produced by Entertainment Company, the telephone number it contains is not Entertainment Company's telephone number, and it falsely advertises Respondent PG as the contact for inquiries regarding investing in Entertainment Company stock. Respondents, as part of their scheme, created the Private Placement Memorandum based in part on publicity generated by Entertainment Company's corporate acquisitions.
- 18. The Stock Certificate Respondents sent Investors, discussed at Paragraph 14, is not an authentic Entertainment Company stock certificate and the signature of its President is also not authentic.
- 19. The activities set forth in paragraphs 7 through 13, above, evidence offer of stock by Respondents to Investors, and therefore a security, as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953, 815 ILCS 5/1 et seq. ("The Act").

COUNT I Against Each Respondent RESPONDENTS ARE NOT REGISTERED DEALERS OR AS SALESPERSONS Section 12(C) violation

- 1-19. The Illinois Securities Department re-alleges and incorporates paragraphs 1 through 19, above, as paragraphs 1-19 of this Count I.
- 20. Section 12.A of The Act states, *inter alia*, that it shall be a violation of this Act for any person to offer or sell any security except in accordance with the provisions of this act. 815 ILCS 5/12.A.
- 21. Section 8 of The Act states, *inter alia*, that every dealer, salesperson, investment advisor and investment advisor representative shall be registered as such with the Secretary of State. 815 ILCS 5/8

- 22. Section 12.C. of The Act states that it shall be a violation of the provisions of this Act for any person to, "act as a dealer, salesperson, investment advisor, or investment advisor representative, unless registered as such, where such registration is required, under the provisions of this Act." 815 ILCS 5/12.C.
- 23. Respondents are not and were never registered in any capacity to offer to sell or sell securities in the State of Illinois.
- 24. By virtue of the activities in Paragraphs 1 through 23, Respondents violated Sections 12.A and 12.C of the Act.

COUNT II Against Each Respondent RESPONDENTS' PRACTICES WORKED A FRAUD AND DECEIT Section 12(F) violation

- 1-19. The Illinois Securities Department re-alleges and incorporates paragraphs 1 through 19, above, as paragraphs 1-19 of this Count II.
- Section 12.F of The Act states 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 or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof." 815 ILCS 5/12.F.
- 21. By virtue of the activities in Paragraphs 6 through 19, above, Respondents violated Section 12.F of the Act.

COUNT III Against Each Respondent RESPONDENTS MADE UNTRUE STATEMENTS OF FACT Section 12(G) violation

- 1-19. The Illinois Securities Department re-alleges and incorporates paragraphs 1 through 19, above, as paragraphs 1-19 of this Count III.
- 20. Section 12.G of the Act states 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." 815 ILCS 5/12.G.
- 21. By virtue of the activities in Paragraphs 6 through 19, above, Respondents violated Section 12.G of the Act.

COUNT IV Against Each Respondent RESPONDENTS CIRCULATED FALSE DOCUMENTS Section 12(H) violation

- 1-19. The Illinois Securities Department re-alleges and incorporates paragraphs 1 through 19, above, as paragraphs 1-19 of this Count IV.
- 20. Section 12.H of the Act states that it shall be a violation of the provisions o this Act for any person to, "sign or circulate any statement, prospectus, or other paper or document required by any provision of this Act or pertaining to any security knowing or having reasonable grounds to know any material representation therein to be false or untrue." 815 ILCS 5/12.H.
- 21. By virtue of the activities in Paragraphs 8 and 17, above, Respondents violated Section 12.H of the Act.

COUNT V Against Each Respondent RESPONDENTS EMPLOYED A DEVICE AND SCHEME TO DEFRAUD Section 12(I) violation

- 1-19. The State of Illinois re-alleges and incorporates paragraphs 1 through 19, above, as paragraphs 1-19 of this Count V.
- 20. Section 12.I of the Act states 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. 815 ILCS 5/12.I.
- 21. By virtue of the activities in Paragraphs 6 through 19, above, Respondents violated Section 12.I of the Act.

PROHIBITION

- 22. That the aforementioned findings are based upon credible evidence.
- 23. That Section 11.F (2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, 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.

Temporary Order of Prohibition

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24. That the entry of this Temporary Order prohibiting Respondents the Phoenix Group, Christian Burnett, Michael Coombs, and Elysee Conception are PROHIBITED 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.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, RESPONDENTS THE PHOENIX GROUP, CHRISTIAN BURNETT, MICHAEL COOMBS, and ELYSEE CONCEPTION, are PROHIBITED from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry 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 and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

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

Dated: This 18th day of October 2005.

JESSE WHITE
Secretary of State
State of Illinois

Temporary Order of Prohibition

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Attorney for the Secretary of State:
Jason Chronopoulos
Enforcement Attorney
Office of the Secretary of State
Illinois Securities Department
69 W. Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384