

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: BOGGIE HANCZARUKHARLOW)
)
)

FILE NO. 0300863

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS: Boggie Hanczarukharlow
 1250 SW Starlite Cove
 Port St. Lucie, Fl 34896

SALE OF UNREGISTERED SECURITIES

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 finds:

1. That Boggie Hanczarukharlow, a/k/a. Boggie Harlow (hereinafter, "Respondent") had a last known address of 1250 SW Starlite Cove, Port St. Lucie, Fl 34986.
2. That the Respondent was employed by FSC Securities Corporation during the period from July 1996 through September 1997 as registered sales representative.
3. That on June 3, 1997 the Respondent issued and sold to an Illinois resident (hereinafter "Investor") a promissory note (hereinafter "Promissory Note"), in the principal amount of \$106,000, with principal and interest due on October 31, 1997.
4. That the activities described in paragraph 3 above constitutes the offer and sale of 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] (the "Act").
5. That Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
6. That Respondent failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a

Temporary Order of Prohibition

-2-

result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois

7. That Section 12.A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
8. That Section 12.D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
9. That by virtue of the foregoing, Respondent has violated Sections 12.A and 12 D of the Act.
10. That the aforementioned findings are based upon credible evidence.

FRAUD IN SALE OF SECURITIES

11. That paragraphs 1 through 3 are realleged and incorporated by reference herein.
12. That the terms of the Promissory Note provided for payment of principal and interest in the amount of \$131,000 on October 31, 1997
13. That Respondent induced the Investor to get a home equity loan to fund the purchase of the Promissory Note.
14. That Respondent defaulted on the Promissory Note ultimately resulting in the Investor losing her home in a foreclosure proceeding.
15. That at the time he sold the Promissory Note, Respondent failed to disclose to the Investor the real risk of non-payment of the Promissory Note.
16. That Section 12.F of the Act provides 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.
17. That Section 12.G of the Act provides that it shall be a violation of the 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.

Temporary Order of Prohibition

-3-

18. That by virtue of the foregoing, Respondent has violated 12.F and 12.G of the Act and will violate them again if he makes further offers, or if they make any sales, of the investment opportunity describe above in the State of Illinois.
19. 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.
20. That the entry of this Temporary Order prohibiting Respondent, or its agents, affiliates, successors and employees, 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, Respondent, Boggie Hanczarukharlow is 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 Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 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 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 16th day of December 2004.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State.

Gregory J. Solberg
Illinois Securities Department
69 West Washington Street
Chicago, Illinois 60602
312-793-9643