

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: ROBERT JENKINS

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)  
) File No. 0200641  
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NOTICE OF HEARING

TO THE RESPONDENT: Robert Jenkins (CRD #2222958)  
c/o Dennis G. Woodworth  
Blickhan, Woodworth & Timmerwilke  
435 Hampshire Street  
Quincy, Illinois 62301

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 5/1, et seq.] (the "Act") and 14 Adm. Code 130, Subpart K, a public hearing will be held at Lincoln Tower, 520 South Second Street, Suite 200, Springfield, Illinois 62701, on the 19th day of March, 2003 at the hour of 10:00 a.m. or as soon thereafter as counsel may be heard, before such duly designated Hearing Officer of the Secretary of State. A copy of the Rules under the Act pertaining to contested cases is attached to this Notice.

Said hearing will be to determine whether an Order should be entered against Robert Jenkins, (the "Respondent") revoking the Respondent's registration as an investment adviser representative in the State of Illinois, permanently prohibiting the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois and/or granting any such other relief as may be authorized under the Act, including but not limited to, imposition of a monetary fine in the maximum amount of \$10,000 per violation, pursuant to Section 11. of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed actions are as follows:

COUNT I - 12.D VIOLATION

1. That at all times relevant hereto Robert Jenkins ("Respondent") was a registered investment adviser representative with the Secretary of State; pursuant to Section 8 of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1, et seq. (the "Act");
2. That Respondent was an agent of MetLife Securities, Inc. registered with the Secretary of State as an investment adviser representative in the State of Illinois from 12/07/01 to 06/18/02;
3. That Respondent is an agent of SWS Financial Services ("SWS") registered with the Secretary of State as an investment adviser representative in the State of Illinois from 06/10/02 to 12/04/02;
4. That Joyce Parrack, an Illinois resident, invested through and with Robert Jenkins while he was a registered representative of Metlife Securities, including an investment in an annuity;
5. That on or about December 2001, Robert Jenkins solicited and recommended to Joyce Parrack to surrender her annuity contract with MetLife and to invest the proceeds in a company in which Robert Jenkins was a shareholder and officer;
6. That Joyce Parrack in reliance upon the recommendation of Robert Jenkins liquidated her annuity with MetLife on or about December 20, 2001 and received a check from MetLife in the amount of \$67,609.02;
7. That on or about the same time and place, in reliance upon the representations made by Robert Jenkins, Joyce Parrack invested \$60,000.00 and delivered a check to Robert Jenkins dated 12/20/01 made payable to BTS, Inc.;
8. That Robert Jenkins represented to Joyce Parrack that she would receive the sum of \$1,250.00 per month as interest on her investment;

9. That Robert Jenkins represented to Joyce Parrack that payment on her investment would come from earnings of the company;
10. That on or about December 31, 2001, Robert Jenkins opened a checking account with First Bankers Trust Company, Quincy, Illinois in the name, BTS, Inc. and deposited Joyce Parrack's investment on or about the same time;
11. That the investment proceeds of Joyce Parrack were not used for any business enterprise of any company in which Robert Jenkins was a shareholder or officer;
12. That Robert Jenkins diverted and converted the investment proceeds of Joyce Parrack for non-business and personal expenses and uses;
13. That payments made to Joyce Parrack were not derived from any profits or earnings of the business and in part some payments made to Joyce Parrack were made from Joyce Parrack's original investment;
14. That the above-referenced investment of Joyce Parrack with Robert Jenkins constituted an offer and sale of a security as those terms are defined in Section 2.1, Section 2.5 and Section 2.5(a) of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
15. That the Respondent failed to file an application for registration to offer or sell securities in the State of Illinois or any other report or document required to be filed with the Secretary of State;
16. That Section 12.D of the Act provides, inter alia, that it shall be a violation 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;
17. That by virtue of the foregoing, the Respondent violated Section 12.D the Act;

18. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
20. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT II - 12.F VIOLATION

- 1-14. Paragraphs 1-14 of Count I are restated and re-alleged as paragraphs 1-14 of Count II;
15. That the above-referenced sale of a security worked or tended to work a fraud or a deceit upon the investor, Joyce Parrack, in that Robert Jenkins did not use the investment proceeds for the purposes represented to Joyce Parrack but instead converted and diverted the proceeds for non-business and personal expenses and uses;
16. That 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;
17. That by virtue of the foregoing, the Respondent violated Section 12.F of the Act;
18. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a

fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
20. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT III - 12.G VIOLATION

- 1-14. Paragraphs 1-14 of Count I are restated and re-alleged as paragraphs 1-14 of Count III;
15. That Robert Jenkins obtained money from the investor, Joyce Parrack, by means of an untrue statement of material fact in that Robert Jenkins did not use the investment proceeds for the purposes represented to Joyce Parrack but instead converted and diverted the proceeds for non-business and personal expenses and uses;
16. That Section 12.G of the Act provides, inter alia, 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 material fact;
17. That by virtue of the foregoing, the Respondent violated Section 12.G of the Act;
18. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
20. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT IV - 12.I VIOLATION

- 1-14. Paragraphs 1-14 of Count I are restated and re-alleged as paragraphs 1-14 of Count IV;
15. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the sale or purchase of the security in that Robert Jenkins engaged in a pattern and/or practice of making misrepresentations to the investor, Joyce Parrack, in order to persuade her to liquidate her MetLife investments for the purpose of obtaining proceeds from her for an investment in a purported company in which Robert Jenkins was purportedly a major shareholder and officer and then failed to invest the proceeds for the purposes represented to Joyce Parrack but instead converted and diverted such proceeds for non-business and personal expenses and uses;
16. That Section 12.I of the Act provides, inter alia, that it shall be a violation of the 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;
17. That by virtue of the foregoing, the Respondent violated Section 12.I of the Act;
18. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a

fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
20. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT V - 12.J VIOLATION

- 1-14. Paragraphs 1-14 of Count I are restated and re-alleged as paragraphs 1-14 of Count V;
15. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the sale or purchase of the security in that Robert Jenkins engaged in a pattern and/or practice of making misrepresentations to the investor, Joyce Parrack, in order to persuade her to liquidate her MetLife investments for the purpose of obtaining proceeds from her for an investment in a purported company in which Robert Jenkins was purportedly a major shareholder and officer and then failed to invest the proceeds for the purposes represented to Joyce Parrack but instead converted and diverted such proceeds for non-business and personal expenses and uses;
16. That Section 12.J of the Act provides, inter alia, that it shall be a violation of the Act for any person, when acting as an investment adviser or an investment adviser representative, either directly or indirectly to employ any device, scheme or artifice to defraud any client or prospective client, to engage in any pattern or practice which operates as a fraud or deceit upon any client or prospective client, or to engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative;

17. That by virtue of the foregoing, the Respondent violated Section 12.J of the Act;
18. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
20. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT VI - 12.D VIOLATION

1. That at all times relevant hereto Robert Jenkins ("Respondent") was a registered investment adviser representative with the Secretary of State, pursuant to Section 8 of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1, et seq. (the "Act");
2. That Respondent was an agent of MetLife Securities, Inc. registered with the Secretary of State as an investment adviser representative in the State of Illinois from 12/07/01 to 06/18/02;
3. That Respondent is an agent of SWS Financial Services ("SWS") registered with the Secretary of State as a salesperson in the State of Illinois from 06/10/02 to 12/04/02;
4. That Tracy Brown, an Illinois resident, invested through and with Robert Jenkins while he was a registered representative of MetLife Securities,



including brokerage and annuity investments with and through MetLife Securities;

5. That on or about February 2002, Robert Jenkins solicited and recommended to Tracy Brown that she liquidate her brokerage account and annuity with and through MetLife and invest the proceeds in a zero coupon bond issued by J.J. Inc of West Central Illinois a/k/a JJ, Inc. ("zero coupon bond");
6. That Robert Jenkins represented to Tracy Brown that JJ, Inc. was in the business of acquiring properties in college towns which were then rented to college students;
7. That in reliance upon Robert Jenkins representations, Tracy Brown liquidated her brokerage account and annuity with MetLife and received \$46,125.63 which was placed in an IRA at the Farmer State Bank Trust Company in Jacksonville, Illinois and which was subsequently invested in the purported zero coupon bond;
8. That Robert Jenkins represented to Tracy Brown that the zero coupon bond would earn 9% per annum maturing April 9, 2011 with a value of \$100,179.95;
9. That Robert Jenkins represented to Tracy Brown that JJ, Inc. would pay principal and accrued interest of the bond at maturity;
10. That on or about April 10, 2002, Robert Jenkins opened a checking account in the name of JJ, Inc. at the First Bankers Trust Company in Quincy, Illinois and deposited Tracy Brown's investment proceeds in said account;
11. That the investment proceeds of Tracy Brown were not used for business enterprises of JJ, Inc.;
12. That Robert Jenkins diverted and converted the investment proceeds of Tracy Brown for non-business and personal expenses and uses;
13. That the above-referenced offer and sale of the bond was an offer and sale of a security as those terms are defined in Section 2.1, Section 2.5 and Section 2.5(a)

of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");

14. That the Respondent failed to file an application for registration to offer or sell securities in the State of Illinois or any other report or document required to be filed with the Secretary of State;
15. That Section 12.D of the Act provides, inter alia, that it shall be a violation 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;
16. That by virtue of the foregoing, the Respondent violated Section 12.D the Act;
17. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
18. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
19. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT VII - 12.F VIOLATION

- 1-13. Paragraphs 1-13 in Count VI are restated and re-alleged as paragraphs 1-13 in Count VII;
14. That the above-referenced sale of a security worked or tended to work a fraud or a deceit upon the investor, Tracy Brown, in that Robert Jenkins did not use the

investment proceeds for the purposes represented to Tracy Brown but converted and diverted the proceeds for non-business and personal expenses and uses;

15. That 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. That by virtue of the foregoing, the Respondent violated Section 12.F of the Act;
17. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
18. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
19. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT VIII - 12.G VIOLATION

- 1-13. Paragraphs 1-13 in Count VI are restated and re-alleged as paragraphs 1-13 in Count VIII;
14. That Robert Jenkins obtained money from the investor, Tracy Brown, by means of an untrue statement of material fact in that Robert Jenkins did not use the investment proceeds for the purposes represented to Tracy Brown but converted and diverted the proceeds for non-business and personal expenses and uses;

15. That Section 12.G of the Act provides, inter alia, 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 material fact;
16. That by virtue of the foregoing, the Respondent violated Section 12.G of the Act;
17. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
18. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
19. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

**COUNT IX - 12.I VIOLATION**

- 1-13. Paragraphs 1-13 in Count VI are restated and re-alleged as paragraphs 1-13 in Count IX;
14. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the sale or purchase of the security in that Robert Jenkins engaged in the pattern and/or practice of making misrepresentations, on different occasions and at different times, to the investor, Tracy Brown, in order to persuade her to liquidate her MetLife investments for the purpose of obtaining those proceeds from her for a purported investment in a company that acquired property in college towns for rental to students and then failed to use the proceeds for the purposes represented to Tracy Brown but

instead converted and diverted such proceeds for non-business and personal expenses and uses;

15. That Section 12.I of the Act provides, inter alia, that it shall be a violation of the 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;
16. That by virtue of the foregoing, the Respondent violated Section 12.I of the Act;
17. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
18. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
19. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT X - 12.J VIOLATION

- 1-13. Paragraphs 1-13 of Count VI are restated and realleged as paragraphs 1-13 of Count X;
14. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the sale or purchase of the security in that Robert Jenkins engaged in a pattern and/or practice of making misrepresentations to the investor, Joyce Parrack, in order to persuade her to liquidate her MetLife investments for the purpose of obtaining proceeds from her for an investment in a purported company in which Robert Jenkins was purportedly a major shareholder and

officer and then failed to invest the proceeds for the purposes represented to Joyce Parrack but instead converted and diverted such proceeds for non-business and personal expenses and uses;

15. That Section 12.J of the Act provides, inter alia, that it shall be a violation of the Act for any person, when acting as an investment adviser or an investment adviser representative, either directly or indirectly to employ any device, scheme or artifice to defraud any client or prospective client, to engage in any pattern or practice which operates as a fraud or deceit upon any client or prospective client, or to engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative;
16. That by virtue of the foregoing, the Respondent violated Section 12.J of the Act;
17. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
18. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
19. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT XI - 12.D VIOLATION

1. That at all times relevant hereto Robert Jenkins ("Respondent") was a registered investment adviser representative with the Secretary of State, pursuant

to Section 8 of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1, et seq. (the "Act");

2. That Respondent was an agent of MetLife Securities, Inc. registered with the Secretary of State as an investment adviser representative in the State of Illinois from 12/07/01 to 06/18/01;
3. That Respondent is an agent of SWS Financial Services ("SWS") registered with the Secretary of State as an investment adviser representative in the State of Illinois from 06/10/02 to 12/04/02;
4. That Everett and Mary Cobb ("the Cobbs"), Illinois residents, invested through and with Robert Jenkins while he was a registered representative of MetLife Securities, including an annuity with and through MetLife Securities;
5. That on or about April 2002, Robert Jenkins solicited and recommended to the Cobbs that they transfer ownership of their annuity to JJ of West Central Illinois, Inc. a.k.a JJ, Inc.;
6. That Robert Jenkins represented to the Cobbs that JJ, Inc. was involved in the business enterprise of constructing commercial buildings;
7. That Robert Jenkins represented to the Cobbs that the transfer of ownership of the annuity would be "on paper only" and that the principal of the annuity would not be liquidated or cashed, except for the \$500.00 that the Cobbs were receiving monthly as an automatic withdrawal from the annuity;
8. That Robert Jenkins represented to the Cobbs that JJ, Inc. would pay the Cobbs \$321.29 in addition to the \$500.00 automatic withdrawn from the annuity monthly for transfer of ownership of the annuity as described above;
9. That in reliance upon the representations made by Robert Jenkins the Cobbs executed papers at the request and instruction of Robert Jenkins to transfer ownership of the annuity;

10. That soon after the Cobbs had initially agreed to transfer ownership of their annuity to J.J. of West Central ILL Inc., the Cobbs changed their minds and contacted Jenkins requesting that ownership of the annuity be returned to them;
11. That Robert Jenkins represented to the Cobbs that the company refused to transfer the annuity back to the Cobbs;
12. That Robert Jenkins represented to the Cobbs that he would assume their agreement with J.J. of West Central ILL Inc. and issued a promissory note to the Cobbs;
13. That Robert Jenkins, contrary to his representation to the Cobbs that the annuity would not be cashed or liquidated, liquidated and cashed \$60,000.00 of the principal on or about May, 2002;
14. That Robert Jenkins deposited said \$60,000.00 into the same JJ, Inc. checking account at the First Bankers Trust Company where Tracy Brown's proceeds were deposited;
15. That Robert Jenkins, contrary to his representation to the Cobbs that the annuity would not be cashed or liquidated, liquidated and cashed \$25,514.62 of the principal on or about July, 2002 - bringing the annuity's value to \$0.00 and again deposited the proceeds into the same checking account at the First Bankers Trust Company where Tracy Brown's proceeds were deposited;
16. That, contrary to his representations to the Cobbs, Jenkins liquidated the entire annuity, and diverted and converted the proceeds for personal expenses and uses;
17. That the above-referenced offer and issuance of the promissory note was an offer and sale of a security as those terms are defined in Section 12, Section 2.5 and Section 2.5(a) of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
18. That the Respondent failed to file an application for registration to offer or sell securities in the State



of Illinois or any other report or document required to be filed with the Secretary of State;

19. That Section 12.D of the Act provides, inter alia, that it shall be a violation 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;
20. That by virtue of the foregoing, the Respondent violated Section 12.D the Act;
21. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
22. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
23. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT XII - 12.F VIOLATION

- 1-17. Paragraphs 1-17 in Count XI are restated and re-alleged as paragraphs 1-17 in Count XII;
18. That the above-referenced sale of a security worked or tended to work a fraud or a deceit upon the investors, Everett and Mary Cobb, in that Robert Jenkins liquidated the Cobbs' annuity contrary to his representations to the Cobbs and converted and diverted the proceeds for personal expenses and uses;

19. That 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;
20. That by virtue of the foregoing, the Respondent violated Section 12.F of the Act;
21. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
22. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
23. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

COUNT XIII - 12.G VIOLATION

- 1-17. Paragraphs 1-17 in Count XI are restated and re-alleged as paragraphs 1-17 in Count XIII;
18. That Robert Jenkins obtained money from the investor by means of an untrue statement of material fact in that Robert Jenkins liquidated the Cobbs' annuity contrary to his representations to the Cobbs and converted and diverted the proceeds for personal expenses and uses;
19. That Section 12.G of the Act provides, inter alia, 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 material fact;

20. That by virtue of the foregoing, the Respondent violated Section 12.G of the Act;
21. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
22. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
23. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT XIV - 12.I VIOLATION

- 1-17. Paragraphs 1-17 in Count XI are restated and realleged as paragraphs 1-17 in Count XIV;
18. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the transaction and issuance of the promissory note to the Cobbs in that Robert Jenkins engaged in a pattern and/or practice of making misrepresentations, on different occasions and at different times, to persuade the Cobbs to transfer ownership of their annuity on the representation that the annuity would not be liquidated and then liquidated the annuity and converted and diverted the proceeds for personal expenses and uses;
19. That Section 12.I of the Act provides, inter alia, that it shall be a violation of the 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;

20. That by virtue of the foregoing, the Respondent violated Section 12.I of the Act;
21. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
22. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
23. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

#### COUNT XV - 12.J VIOLATION

- 1-17. Paragraphs 1-17 of Count XI are restated and realleged as paragraphs 1-17 of Count XV;
18. That Robert Jenkins employed a device, scheme, or artifice to defraud in connection with the transaction and issuance of the promissory note to the Cobbs in that Robert Jenkins engaged in a pattern and/or practice of making misrepresentations, on different occasions and at different times, to persuade the Cobbs to transfer ownership of their annuity on the representation that the annuity would not be liquidated and then liquidated the annuity and converted and diverted the proceeds for personal expenses and uses;
19. That Section 12.J of the Act provides, inter alia, that it shall be a violation of the Act for any person, when acting as an investment adviser or an

investment adviser representative, either directly or indirectly to employ any device, scheme or artifice to defraud any client or prospective client, to engage in any pattern or practice which operates as a fraud or deceit upon any client or prospective client, or to engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative;

20. That by virtue of the foregoing, the Respondent violated Section 12.J of the Act;
21. That Section 11.E (4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
22. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser or investment adviser representative may be revoked if the Secretary of State finds that the investment adviser or investment adviser representative has violated any provisions of the Act;
23. That by virtue of the foregoing, the Respondent is subject to a fine of up to \$10,000.00 per violation and an order which revokes the registration of the Respondent as an investment adviser representative and permanently prohibits the Respondent from acting as an investment adviser or investment adviser representative in the State of Illinois.

COUNT XVI - 8.E (1) (b)

- 1-13. Paragraphs 1-13 in Count I are restated and re-alleged as paragraphs 1-13 in Count XVI;
- 14-27. Paragraphs 1-14 in Count VI are restated and re-alleged as paragraphs 14-27 in Count XVI;
- 28-44. Paragraphs 1-17 in Count XI are restated and re-alleged as paragraphs 28-44 in Count XVI;
45. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Joyce Parrack constitute an unethical business practice in

the offer and sale of a security and/or a fraudulent business practice;

46. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Tracy Brown constitute an unethical business practice in the offer and sale of a security and/or a fraudulent business practice;
47. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Everett and Mary Cobb constitute an unethical business practice in the offer and sale of a security and/or a fraudulent business practice;
48. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Joyce Parrack, Tracy Brown and Everett and Mary Cobb constitute a continuing course of dealing of such a nature as to demonstrate an inability to properly conduct the business of an investment adviser representative;
49. That Section 8.E(1)(b) of the Act provides, inter alia, that the registration of an investment adviser representative may be revoked if the Secretary of State finds that the investment adviser representative has engaged in an unethical practice and/or has engaged in any fraudulent business practice;
50. That by virtue of the foregoing, the Respondent is subject to an order which revokes the registration of the Respondent as an investment adviser representative.

COUNT XVII - 8.E (1) (m)

- 1-13. Paragraphs 1-13 in Count I are restated and re-alleged as paragraphs 1-13 in Count XVII;
- 14-27. Paragraphs 1-14 in Count V are restated and re-alleged as paragraphs 14-27 in Count XVII;
- 28-44. Paragraphs 1-17 in Count X are restated and re-alleged as paragraphs 28-44 in Count XVII;

45. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Joyce Parrack constitute an unethical business practice in the offer and sale of a security and/or a fraudulent business practice;
46. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Tracy Brown constitute an unethical business practice in the offer and sale of a security and/or a fraudulent business practice;
47. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Everett and Mary Cobb constitute an unethical business practice in the offer and sale of a security and/or a fraudulent business practice;
48. That the conduct, activities and actions of Robert Jenkins with regard to the transactions with Joyce Parrack, Tracy Brown and Everett and Mary Cobb constitute a continuing course of dealing of such a nature as to demonstrate an inability to properly conduct the business of an investment adviser representative;
49. That Section 8.E(1)(m) of the Act provides, inter alia, that the registration of an investment adviser representative may be revoked if the Secretary of State finds that the investment adviser representative has engaged in a continuing course of dealing of such a nature as to demonstrate an inability to properly conduct the business of an investment adviser representative;
50. That by virtue of the foregoing, the Respondent is subject to an order which revokes the registration of the Respondent as an investment adviser representative.

You are further notified that the Respondent is required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130.100 et seq.) (the "Rules"), to file an answer to the allegations outlined above, or a Special Appearance pursuant to Section 1107 of the Rules, or other responsive pleading within thirty days


of the receipt of this Notice. Respondent's failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives Respondent's right to a hearing.

Furthermore, the Respondent may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default.

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Illinois Securities Department is included with this Notice.

Delivery of the Notice to the designated representative of the Respondent constitutes service upon such Respondent.

ENTERED: This 26<sup>th</sup> day of February, 2003

  
JESSE WHITE  
Secretary of State  
State of Illinois

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