

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF **CLAYTON A. COHN**
d/b/a **Market Advisors, LLC**. And
d/b/a **Marketaction Capital Management, LLC** and
his partners, members, officers
and directors, agents, employees, affiliates, successors and assigns.

No. 1300370

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENT:

Clayton A. Cohn
858 West Armitage
Unit 133
Chicago, Illinois 60614

d/b/a Market Advisors, LLC
858 West Armitage
Unit 133
Chicago, Illinois 60614

d/b/a Marketaction Capital Management, LLC
858 West Armitage
Unit 133
Chicago, Illinois 60614

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 find:

1. Respondent Clayton A. Cohn (hereinafter at times "Cohn") has a last known address of 858 West Armitage, Unit 133, Chicago, Illinois 60614.
2. Respondent Cohn, at all relevant times herein, was doing business as "Market Advisors, LLC" (hereinafter "Market"); and was also doing business as "Marketaction Capital Management, LLC" neither of which was/is registered as an Illinois limited liability company.

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3. Between January 1, 2012 and December 31, 2012 ("Timeframe") Respondent Cohn represented to at least three Illinois residents ("Investor 1", "Investor 2" and "Investor 3") that he operated and controlled a "hedge fund" called "Market Advisors, LLC", an entity he said that was in the business of "investing in the market" and purchasing and reselling "publicly traded equities" on behalf of his clients.
4. Cohn solicited the Investors to place money with him and Market, and promised Investors that if they invested money with Respondent he would use his best efforts to use the Investors' money to earn monetary returns for them
5. Cohn told Investors that his fee for services to the Investors would range from 2% to 20% of the amount of appreciation realized through Cohn's efforts.
6. Investor 1 paid \$120,000 to Respondent with the expectancy that Cohn would work to invest the funds in publicly traded equities and attempt to realize a profit for Investor 1.
7. Investor 2 paid \$100,000 to Respondent with the expectancy that Cohn would work to invest the funds in publicly traded equities and attempt to realize a profit for Investor 2.
8. Investor 3 paid \$20,000 to Respondent with the expectancy that Cohn would work to invest the funds in publicly traded equities and attempt to realize a profit for Investor 3.
9. Investors' funds were accepted by Cohn and placed into Cohn's bank account entitled "Marketaction Capital Management, LLC"
10. The activities described above in paragraphs 3-9 constitute offers and sales of investment contracts and are therefore securities 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")

FRAUD

11. Respondent Clayton A. Cohn instead of investing the funds as promised withdrew the funds from Marketaction Capital Management, LLC", and converted the funds to his own use and benefit.
12. Respondent Clayton A. Cohn failed and refused to notify the Investors that the funds would be used for his own benefit rather than the Investors'.
13. That Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the provisions 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"

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14. That Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the provisions 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 the light of the circumstance under which they were made, not misleading."
15. That Section 12 I of the Act provides, *inter alia*, that it shall be a violation of the provisions 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, Respondent Clayton A Cohn violated Sections 12 F, 12 G and 12.I of the Act and will violate the Act again if they make further security offers, or if they make any sales of securities, in the State of Illinois
17. That the aforementioned findings are based upon credible evidence.
18. 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.
19. That the entry of this Temporary Order of Prohibition prohibiting Respondent, and his partners, officers and directors, agents, employees, affiliates, successors and assigns, from rendering investment advice or 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 **Clayton A. Cohn** d/b/a Market Advisors, LLC and Marketaction Capital Management, LLC and his partners, members, officers and directors, agents, employees, affiliates, successors and assigns, are temporarily **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State until the further Order of the Secretary of State.

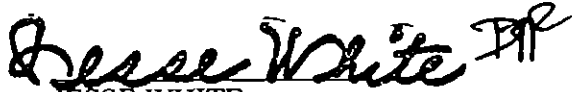
NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date 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 of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

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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 17th day of March 2014.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State
James J. Tierney
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