

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

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<b>IN THE MATTER OF:</b>	)	
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<b>PETER R. BRIGGS, JR., an individual.</b>	)	<b>File No. 1400090</b>
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**NOTICE OF HEARING**

**TO THE RESPONDENT:**            **Peter R. Briggs (CRD # 2448554)**  
   **942 Park Avenue**  
   **River Forest, IL 60305**

You are hereby notified that pursuant to Section 11.E of the Illinois Securities law of 1953 [815 ILCS 5/1 et. Seq.] (The "Act") and Ill. Adim. Code 130, Subpart K, a public hearing will be held at 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602, on the 21st day of January, 2015, at the hour of 10:00 AM, or as soon as possible thereafter, before Canella (Connie) Henrichs or such duly designated Hearing Officer of the Secretary of State.

Said Hearing will be held to determine whether an Order shall be entered pursuant to Section 11.E of the Act prohibiting Respondents from selling or offering for sale securities in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to 11.E(4) of the Act, payable within ten (10) business days of the order.

**COUNT I**

**FRAUD IN THE OFFER AND SALE OF SECURITIES**

The grounds for such proposed actions are as follows:

1. Respondent Peter R. Briggs, Jr. ("Briggs") is an Illinois resident with the last known address of 942 Park Avenue, River Forest, Illinois 60305.
2. Respondent Briggs was at one time registered with the State of Illinois to engage in the business of the sale of securities. In 1999, the New York Securities Exchange initiated a regulatory action against Respondent Biggs for misappropriation of a client's funds.

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3. As a result of the NYSE regulatory action, Respondent Briggs consented to a permanent bar from registration, and as a result, the State of Illinois terminated Respondent's registration in any capacity in the sale of securities within the State of Illinois.
4. Investor A had a brokerage account with Charles Schwab. Sometime in July 2007, Investor A was reintroduced, through a mutual friend, to Respondent Briggs. Investor A knew Respondent Briggs from the neighborhood where they had grown up together.
5. Respondent Briggs iterated to Investor A that he was a financial adviser and had previous success with trading in securities. Respondent Briggs convinced Investor A that he could get Investor A good returns by trading in options with funds located in Investor A's brokerage account. Investor A stated that he did not want to sell or cause to be sold certain stocks, including but not limited to stock in Apple, Inc.
6. Respondent Briggs informed Investor A that he would not take any fees, but he would split any profits made with Investor A's funds on trades affected by Respondent Briggs.
7. Respondent Briggs did not disclose to Investor A the NYSE regulatory action, the consent order entered into permanently barring him from registration in the securities industry, and that he was not registered with the State of Illinois as an investment adviser or salesperson.
8. Investor A suffers from autism and dyslexia, and has difficulty understanding information provided to him in writing.
9. Investor A provided Respondent Briggs with Investor A's personal information; including his date of birth, social security number, and mother's maiden name, with the understanding that Respondent Briggs required that information to open a securities trading account at TD Ameritrade in Investor A's name.
10. In fact, Respondent Briggs opened the TD Ameritrade account in his own name.
11. Starting on or around August 16, 2007, Respondent Briggs began wire transferring funds from Investor A's Charles Schwab account to a TCF checking account belonging to Investor A.
12. From there, Respondent Briggs would instruct Investor A to withdraw the funds from his TCF Bank account, either by check or cash withdrawals, and give the funds to Respondent Briggs to deposit in the TD Ameritrade account.
13. Later in the relevant period, Respondent Briggs used Investor A's information to effect trades (including selling Investor A's Apple shares) and wires in Investor A's Charles Schwab account, including but not limited to forging Investor A's signature on Charles Schwab documents and calling Charles Schwab purporting himself to be Investor A.

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14. Beginning in or around August 2007 and ending sometime in August 2011, Respondent Briggs made several withdrawals from Investor A's accounts amounting to approximately \$88,200.
15. Of the \$88,200 from Investor A's accounts, only \$65,900 was deposited by Respondent Briggs into his TD Ameritrade account, purportedly to trade on behalf of Investor A.
16. Respondent Briggs kept approximately \$22,000 of Investor A's funds, which were suppose to be deposited into the TD Ameritrade account, and used these funds to pay for personal expenses and cash withdrawals.
17. During this relevant time period, Respondent Briggs suffered \$50,000 in trading losses with Investor A's funds in the TD Ameritrade account.
18. Moreover, Investor A's Charles Schwab accounts suffered significant losses during this relevant period.
19. In addition to the losses, Respondent Briggs also made several withdrawals from the TD Ameritrade account totaling \$15,000, which he transferred to his personal bank account and used for personal expenses.
20. Of the \$88,000 of Investor A's funds, Respondent Briggs lost \$50,000 in securities trades and kept approximately \$38,000 which he spent on personal expenses.
21. During this time period, Respondent Briggs assured Investor A that his investments were earning profits and that his funds were secured.
22. During the relevant time period, Respondent Briggs did not show Investor A any statements of the TD Ameritrade account. In fact, Respondent Briggs only provided hand written notes to Investor A. Moreover, Respondent Briggs would show the account information to Investor A on his personal laptop; however, Investor A could not confirm whether it was in fact accurate account information.
23. Section 12.J(2) of the Act provides that it shall be a violation of the Act for any person when acting as an investment advisor, investment advisor representative, or federal covered investment advisor, by any means or instrumentality, directly or indirectly to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.
24. Section 12.J(3) of the Act provides that it shall be a violation of the Act for any person when acting as an investment advisor, investment advisor representative, or federal covered investment advisor, by any means or instrumentality, directly or indirectly

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engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative.

**COUNT II**

**FAILURE TO DISCLOSE**

25. Paragraphs 1 through 24 are herein incorporated by reference.
26. As stated in paragraph 7, Respondent Briggs did not disclose to Investor A the NYSE regulatory action, the consent order entered into permanently barring him from registration in the securities industry, and that he was not registered with the State of Illinois as an investment adviser or salesperson.
27. Section 12.G of the Act states *inter alia* that it shall be a violation 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 the light of the circumstances under which they were made, not misleading.

**COUNT III**

**ACTING AS AN UNREGISTERED DEALER, SALESPERSON, AND INVESTMENT ADVISER**

28. The facts alleged in paragraphs 1 through 27 are herein incorporated by reference.
29. Section 8.A of the Act states *inter alia* that every dealer, salesperson, investment adviser, and investment adviser representative shall be registered with the State as such.
30. Respondent Briggs has been acting as an investment adviser/investment adviser representative in the State of Illinois by buying and selling securities in a TD Ameritrade account under Respondent Briggs' name with Investor A's funds and holding himself out as a financial adviser.
31. Respondent Briggs has not been registered in Illinois as a broker-dealer, a salesperson, investment adviser or investment adviser representative or in any other capacity in the securities business in the State of Illinois since 1997.
32. Section 12.A of the Act states *inter alia* that it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.

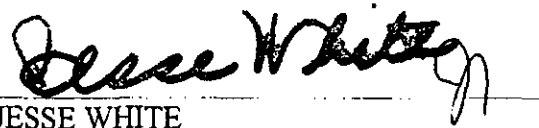
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33. Section 12.C of the Act states *inter alia* that it shall be a violation of the provisions of this Act for any person to act as a dealer, salesperson, investment adviser, or investment adviser representative, unless registered as such, where such registration is required, under the provisions of the Act.

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

Dated: This 5th day of November, 2014.



JESSE WHITE  
Secretary of State  
State of Illinois

You are further notified that you are required pursuant to Section 1104 of the Rules to file an answer to the allegations outlined above, or other responsive pleading within 30 (thirty) days of receipt of this notice. Your failure to do this within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

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

A copy of the Rules and Regulations promulgated under the Illinois Securities Law and pertaining to hearings held by the Office of the Secretary of State, Illinois Securities Department, are available at the Department's website:

<http://www.cyberdriveillinois.com/departments/securities/abtil.html>

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