

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

**IN THE MATTER OF: ALAN HOWARD GOLD and
ALAN GOLD and ASSOCIATES, and
his/its partners, officers and directors, agents, employees, affiliates,
successors and assigns.**

No. 1500136

ORDER OF PROHIBITION

TO RESPONDENTS: Alan Howard Gold
125 Lockerbie Lane
Wilmette, Illinois 60091

Alan Gold and Associates
125 Lockerbie Lane
Wilmette, Illinois 60091

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on June 17, 2015 which temporarily prohibited **Alan Howard Gold and Alan Gold and Associates** his/their partners, officers and directors, agents, employees, affiliates, successors and assigns from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

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1. Respondent Alan Howard Gold (hereinafter at times "Gold" or "Respondent" or together with Alan Gold and Associates "Respondents") has a last known address of 125 Lockerbie Lane, Wilmette, Illinois 60091.
2. Respondent Alan Gold and Associates (hereinafter at times "Gold Company" or together with Gold "Respondents") has a last known address of 125 Lockerbie Lane, Wilmette, Illinois 60091.
3. Between 2010 and December 2014 ("Relevant Period") Respondent Gold was the sole officer and controlling agent of Alan Gold and Associates, and all activities conducted by Gold were co-performed by Alan Gold and Associates.
4. During the Relevant Period Gold told approximately 10 Illinois residents ("Investors") that he would purchase securities on behalf of Investors through his company Alan Gold and Associates.
5. Gold promised the Investors that he would use their funds to invest in "alternative investments" including real estate, securities and futures.
6. Gold advised Investors to invest in various "alternative investments".
7. During the Relevant Period Investors placed approximately one million dollars (\$1,000,000) with Gold pursuant to Gold's promises to invest the money.

FRAUD (10 counts of conversion)

8. Rather than invest the money as promised Gold converted and spent almost all of the invested \$1,000,000 on his personal expenses, including gambling and family expenses.
9. Gold failed and refused to inform any of the 10 Investors that he intended to, and did in fact, spend their invested funds on his personal expenses.
10. 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."
11. 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."
12. 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

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defraud in connection with the sale or purchase of any security, directly or indirectly.”

13. That by virtue of the foregoing, Respondents **Alan Howard Gold and Alan Gold and Associates** 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.

FRAUD (10 counts of failure to disclose)

14. Gold had previously been employed as a registered securities sales person, but was fired from this position prior to promising any of the 10 Investors that he would invest their money in real estate, securities and futures.
15. Gold failed and refused to inform any of the 10 Investors that had previously been employed as a registered securities sales person, but was fired from this position prior to accepting their investments with him.
16. 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.”
17. 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.”
18. 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.”
19. By virtue of the foregoing, Respondents **Alan Howard Gold and Alan Gold and Associates** 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.

FAILURE TO REGISTER AS DEALER

20. The activities of Respondents described in paragraphs 4 – 7 above, constitute acting as a dealer in the State of Illinois.
21. “Dealer” means *inter alia*, “any person who engages in this State in the business of offering, selling, buying and selling, or otherwise dealing or trading in securities issued

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by another person" as defined in Section 2.7 of the Illinois Securities Act of 1953 [815 ILCS 5] (the "Act").

22. Section 8.A of the Act provides, *inter alia*, that "except as otherwise provided in this subsection A, every dealer shall be registered with the Secretary of State".
23. Respondents failed to file an application with the Secretary of State to register as a dealer as required by the Act, and as a result respondent BS, Inc was not registered as such prior to acting as a dealer in the State of Illinois.
24. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act "for any person to act as a dealer unless registered as such, where such registration is required, under the provisions of this Act."
25. 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."
26. By virtue of the foregoing Respondents **Alan Howard Gold and Alan Gold and Associates** violated Sections 12.C and 12.D of the Act.

FAILURE TO REGISTER AS A SALESPERSON

27. The activities of Respondents as described in paragraphs 4 - 7 above constitute the activities of a salesperson of securities in the State of Illinois.
28. Section 2.9 of the Act provides that "salesperson" means, *inter alia*, "an individual, other than an issuer or a dealer, employed or appointed or authorized by a dealer, issuer or controlling person to offer, purchase or sell securities in this State."
29. Section 8.A of the Act provides, *inter alia*, that "except as otherwise provided in this subsection A, every salesperson shall be registered as such with the Secretary of State."
30. Respondents failed to file an application with the Secretary of State to register as a salesperson as required by the Act, and as a result Respondent BS Vik was not registered as such prior to acting as a salesperson in the State of Illinois.
31. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act "for any person to act as a salesman unless registered as such, where such registration is required, under the provisions of this Act."
32. Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the Act "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."

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33. By virtue of the foregoing Respondents **Alan Howard Gold and Alan Gold and Associates** have violated Sections 12.C and 12.D of the Act.

FAILURE TO REGISTER AS AN INVESTMENT ADVISOR

34. The activities described in paragraphs 4 - 7 above constitute the business of giving investment advice to others, and being an "investment adviser", as that term is defined in Sec 2.11 of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
35. Section 8 of the Act provides, *inter alia*, that all investment advisers, except those exempt, shall be registered prior to acting and giving investment advice in the State of Illinois.
36. Respondents failed to file with the Secretary of State an application for registration as investment advisors as required by the Act and that as a result the Respondents were not registered pursuant to Section 8 prior to giving investment advice in the State of Illinois.
37. Section 12.C of the Act provides, *inter alia*, that it shall be a violation for any person to act as an investment advisor except in accordance with the provisions of the Act.
38. 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.
39. By virtue of the foregoing, Respondents **Alan Howard Gold and Alan Gold and Associates** have violated Sections 12.C and 12.D of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Alan Howard Gold and Alan Gold and Associates** and his/their partners, officers and directors, agents, employees, affiliates, successors and assigns, are **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.

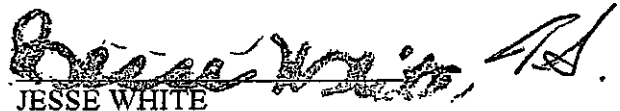
NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

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This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 2nd day of July 2015.



JESSE WHITE
Secretary of State
State of Illinois

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