

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

\_\_\_\_\_)  
**IN THE MATTER OF: RUSSELL ARMSTRONG,** )  
**and GOVERNMENT BENEFIT ADVISORS, L.L.C. and** ) **FILE NO. 1200262**  
**its managers, officers, affiliates, subsidiaries, representatives,** )  
**successors, and assigns.** )  
\_\_\_\_\_)

**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENTS:**

**Russell Armstrong  
220 Birch Avenue  
Lake Bluff, Illinois 60044**

**Government Benefit Advisors, L.L.C.  
10998 Wilcrest Drive, Suite 195  
Houston, Texas 77099**

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:

**INTRODUCTION**

1. Respondent Russell Armstrong (“Respondent Armstrong”) is a natural person and a registered Insurance Producer in the state of Illinois with a last known address of 220 Birch Avenue, Lake Bluff, Illinois 60044.
2. Respondent Government Benefit Advisors, L.L.C. (“Respondent GBA”) is a limited liability company registered in the state of Texas with a last known address of 10998 Wilcrest Drive, Suite 195, Houston, Texas 77099.
3. Respondent Armstrong is not registered to offer or sell securities, or provide investment advisory services, in the State of Illinois.

**COUNT I****FAILURE TO REGISTER AS AN INVESTMENT ADVISER AND/OR  
INVESTMENT ADVISER REPRESENTATIVE**

4. Respondent Armstrong through Respondent GBA organized federal government employee benefits investment seminars and/or private individual consultations that were marketed to federal employees, including, but not limited to, United States Postal workers.
5. Respondent Armstrong advised various federal employees to liquidate securities within their Thrifty Savings Plan (“TSP”), in order to purchase a fixed annuity, with the purpose or intent of deriving a commission or profit from such a sale.
6. By advising federal employees to liquidate the securities listed above, Respondent Armstrong anticipated that he would benefit from the sale of these securities.
7. Respondent induced these individuals to liquidate their securities in order to purchase the annuity(s) by representing that the returns would be greater with this product.
8. The Illinois Securities Act of 1953, (“the Act”), Section 8(A), requires that individuals who are involved in offering investment advice for a fee shall be registered with the Illinois Secretary of State.
9. At all relevant times, Respondent Armstrong was not registered as an investment adviser representative and/or investment adviser.
10. At all relevant times, Respondent GBA was not registered as an investment adviser.
11. Respondent Armstrong’s investment advice to sell securities in order to purchase insurance products constituted the conduct of an investment adviser as defined in the Act.
12. Section 8 of the Act provides, *inter alia*, that all investment advisers and investment adviser representatives, except as otherwise provided, shall be registered with the Secretary of State.
13. At all relevant times, Respondent Armstrong failed to file an application for registration as an investment adviser representative and/or investment adviser with the Illinois Secretary of State.

14. At all relevant times, Respondent GBA failed to file an application for registration as an investment adviser with the Illinois Secretary of State.
15. Section 12.C of the Act provides, *inter alia*, that it shall be a violation for any person to act as an investment adviser or investment adviser representative, unless registered as such.
16. 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.
17. By virtue of the foregoing, Respondents violated Sections 8, 12.C and 12.D of the Act.
18. Section 11.F(2) of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (“the Act”) provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend for a maximum period of 90 days, by an order effective immediately, the offer or sale of securities by any person, if the Secretary of State shall in his or her opinion, based on credible evidence, deem it necessary to prevent an imminent violation of this Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of this Act

**NOW THEREFORE IT IS HEREBY ORDERED THAT:** pursuant to the authority granted by Section 11.F of the Act, Respondents Russell Armstrong and Government Benefit Advisers, LLC and his partners, officers and directors, agents, employees, affiliates, successors and assigns are temporarily **PROHIBITED** from offering or selling securities in or from this State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to Enforcement Attorney, Maria Pavone, Illinois Securities Department, 69 W. 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 24th day of October 2012.

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
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