STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:	)	
RANDOLPH T. HORNER	)	**File No. 0700359**

TO THE RESPONDENT: RANDOLPH T. HORNER
856 S INSIGNIA CT
PALATINE , IL
60067

CONSENT ORDER

WHEREAS, on September 18, 2008, a Notice of Hearing was Filed against Randolph T. Horner ("Respondent").

WHEREAS, Respondent on the 18th day of September, executed a certain Stipulation to Enter Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State in this matter and Respondent has consented to the entry of this Consent Order ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledges, without admitting or denying the truth thereof, that the following allegations shall be adopted as the Secretary of State's Findings of Fact:

1) Respondent Randolph T. Horner ("Horner" or "Respondent" hereinafter) is an Investment Advisor Representative for, at the time of the events complained about, Financial Network Investment Corporation, and doing business in Illinois at 1811 Hicks Road, Suite C, in Rolling Meadows, Illinois.

2) Investor is a retired eighty-four year old resident of Illinois that owned a Putnam Hartford Capital Manager Variable Annuity ("Variable Annuity") valued at approximately $179,380.00. The Variable Annuity had been purchased in 1994 and no longer had severance fees or charges associated with any withdrawals by Investor.

3) Investor had been making equal monthly withdrawals from the Variable Annuity to pay living expenses and to fulfill the required minimum distribution under the Federal Tax Code. However, the Variable Annuity was suffering losses in its sub-accounts due to the market downturn.

4) On or about January 25, 2006, Investor first met with Horner for investment advice.

5) Horner recommended that Investor transfer $103,572.00 from the Variable Annuity into an AmeriMark Freedom fixed annuity issued by Americom Life and Annuity Insurance Company ("Fixed Annuity"), leaving the balance in the Variable Annuity for liquidity. However, the Fixed Annuity had limited liquidity. It allowed Investor to withdraw up to 10% of the premium per year, but any amount beyond the 10% would incur severance charges until after the seventh year of ownership.

6) Soon after the purchase of the Fixed Annuity, Investor suffered a medical emergency and needed all of his assets to be liquid to assist in paying medical costs and living expenses.

7) Although Investor continued to have access to the liquid funds in the Variable Annuity, due to Investor's advanced age and net worth, it was foreseeable that Investor may need additional liquidity for his medical and future care than that provided by the Variable Annuity and Fixed Annuity.

8) On or about August 7, 2008, Horner and the issuer of the Fixed Annuity refunded Investor's premium.

9) The activities described in paragraphs six and seven, above, constitute the activities of an investment adviser representative as defined in Section 2.11b of the Illinois Securities Act of 1953 (the "Act"). *815 ILCS 5/2.11b.*

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusions of Law:

> Horner did not have a reasonable basis in recommending the Fixed Annuity with limited liquidity to an eighty-four year old Investor in violation of Section 12.F of the Act.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that this matter may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1) Pursuant to Section 11.E(4) of the Act, Respondent Randolph T. Horner is Censured.

2) The formal hearing, as it pertains to Respondent Randolph T. Horner scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 19th day of September, 2008.

Jesse White /MS

JESSE WHITE
Secretary of State
State of Illinois

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 offense.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et seg.] 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.

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