

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Howard J. Allen III

) File No. 1400145
)

CONSENT ORDER

TO THE RESPONDENT: Howard J. Allen III (CRD# 2033586)
Portfolio Advisors Alliance, Inc.
330 Madison Ave., 6th Fl.
New York, NY 10017

WHEREAS, Howard J. Allen III (the "Respondent") on July 8, 2014 executed a certain Stipulation to Entry of Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged that the allegations contained in Paragraph VII of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

1. At all times relevant hereto, Respondent was registered as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. The Financial Industry Regulatory Authority (FINRA) is a private, non-governmental organization that is registered with the United States Securities and Exchange Commission as a self-regulatory organization pursuant to the Securities Exchange Act of 1934.
3. At all times relevant hereto, Respondent was FINRA-registered and an employee of J. P. Turner & Co., LLC (July 19, 2002 – June 18, 2008) and Portfolio Advisors Alliance, Inc. (January 14, 2009 – present), FINRA-registered firms.

Consent Order

-2-

4. On November 16, 2013, FINRA entered an Order Accepting Offer of Settlement regarding File No. 2010022586201, which sanctioned Respondent as follows:
 - a. fined \$10,000; and
 - b. suspended from association with any FINRA member in any capacity for 8 months.
5. The FINRA suspension is effective from January 6, 2014 through September 5, 2014.
6. By submitting the Offer of Settlement, Respondent accepted FINRA's findings of fact, without admitting or denying the truth thereof.
 - a. In addition to working at J. P. Turner and Portfolio Advisors, Respondent co-owned and controlled two companies, Allen Partners Capital, LLC (APC) and Allen Partners, LLC (AP).
 - b. While Respondent was associated with J. P. Turner and Portfolio Advisors, he raised money for both APC and AP to expand his existing branch office operations and to purchase his own broker-dealer.
 - c. Respondent, acting outside the course and scope of his employment with his employing member firm, J. P. Turner, participated in ten private securities transactions with NV, DH, RIG, NH, RS, ST, and RAG from which he received selling compensation, without providing prior written or oral notice to J. P. Turner of his proposed roles in, or the selling compensation that he may receive from, the transactions.
 - d. Respondent, acting outside the course and scope of his employment with his employing member firm Portfolio Advisors, participated in two private securities transactions with TW and MP/JP from which he received selling compensation, without providing prior written notice to Portfolio Advisors of his proposed roles in, or the selling compensation that he may receive from, the transactions.
7. Respondent also acknowledged the violation of NASD Rule 3040 (requiring associated persons to provide written notice to the member with which he is associated, describing in detail the proposed transaction and the person's proposed role therein and stating whether he has received or may receive selling compensation in connection with the transaction) and FINRA Rule 2010 (requiring associated persons, in the conduct of their business, to observe high standards of commercial honor and just and equitable principles of trade).

Consent Order

-3-

8. The State of Indiana suspended (effective March 13, 2014) Respondent's registration there based upon the FINRA suspension.
9. Section 8.E(1)(j) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation, or standard duly promulgated by the self-regulatory organization.
10. Section 8.E(1)(k) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had any order entered against it after notice and opportunity for hearing by a securities agency of any state arising from any fraudulent or deceptive act or a practice in violation of any statute, rule, or regulation administered or promulgated by the state.
11. Section 11 of the Act provides, *inter alia*, that the Secretary of State may suspend or revoke the registration of a salesperson after an opportunity for hearing upon not less than 10 days notice given by personal service or registered mail or certified mail, return receipt requested, to the person or persons concerned.

WHEREAS, the Respondent has acknowledged that the allegations contained in Paragraph VIII of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

12. By virtue of the foregoing, Respondent is subject to an order which revokes the Respondent's registration as a salesperson of securities in the State of Illinois pursuant to Sections 8.E(1)(j) and (k) and Section 11 of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

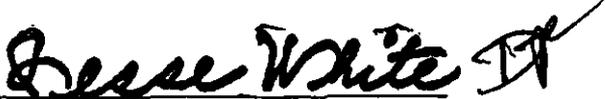
13. The allegations contained in Paragraphs VII and VIII of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law.
14. Respondent will withdraw his registration as a salesperson in the State of Illinois, within 5 business days after entry of this Consent Order.
15. Respondent will not seek registration as a salesperson or investment adviser representative in the State of Illinois for at least 2 years after entry of this Consent Order.

Consent Order

-4-

16. The Department will retain jurisdiction over this proceeding for the sole purpose of enforcing the terms and provisions of the Stipulation.

ENTERED: This 8th day of July, 2014.



JESSE WHITE
Secretary of State
State of Illinois

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