

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

TEMPORARY ORDER OF PROHIBITION

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

Alan Gold and Associates
125 Lockerbie Lane
Wilmette, Illinois 60091

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:

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 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 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."
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.

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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.
40. The aforementioned findings are based upon credible evidence.
41. Section 11.F (2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the rendering of investment advice or the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
42. The entry of this Temporary Order of Prohibition prohibiting Respondents, and their partners, officers and directors, agents, employees, affiliates, successors and assigns, from rendering investment advice or from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions 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 their partners, officers and directors, agents, employees, affiliates, successors and assigns, are temporarily **PROHIBITED** from rendering investment advice, and from offering or selling securities, and from acting as securities brokers, and from acting as securities sales persons in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West 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 of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

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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 17th day of June 2015.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
James J. Tierney
Illinois Securities Department
69 West Washington Street
Chicago, Illinois 60602
312-793-9650