

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

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**IN THE MATTER OF: ALEXANDER HOLDINGS LLC > ) Case No. C0700229**  
**TERRENCE T. ALEXANDER )**  
**)**

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**FINAL ORDER**

**TO RESPONDENTS:** Terrence T. Alexander  
(CRD# 3273969)  
89 Lawrence Lane  
Matteson, Illinois 60443

Alexander Holdings, LLC  
C/o Terrence T. Alexander  
89 Lawrence Lane  
Matteson, Illinois 60443

WHEREAS, the above-captioned matter came to be heard on October 22, 2008, pursuant to the Notice of Hearing dated September 9, 2008, filed by Petitioner Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative;

WHEREAS, attorney Felicia Simmons-Stovall appeared on behalf of the Illinois Securities Department ("Department") and introduced documentary evidence and witness testimony in support of the allegations contained in the Notice of Hearing;

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State;

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, Esq., in the above-captioned matter have been read and examined;

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct are hereby adopted as the Findings of Fact of the Secretary of State:

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1. The Department properly served the Notice of Hearing on Respondent Terrence Alexander on or about September 9, 2008.
2. The Respondents failed to answer, appear, or submit a responsive pleading. The Respondents did not appear at the Hearing.
3. The Respondents did not appear at the Hearing.
4. Respondent Terrence T. Alexander, (“Alexander” or together with Alexander Holdings, LLC, “Respondents”) is an individual whose last known address is 89 Lawrence Lane, Matteson, Illinois 60443. At all relevant times, Respondent Alexander was registered as a salesperson and investment advisor representative with the State of Illinois until November 16, 2007.
5. Respondent Alexander Holdings, LLC (“Alexander Holdings” or together with Terrence T. Alexander “Respondents”) is a business entity with the last known address of 7919 S. Mozart, Chicago, Illinois 60652. Respondent Alexander is the sole member of Alexander Holdings.
6. That in December 2005, Respondent Alexander was Illinois Investor’s personal investment representative at Chase Investment Services Corp.
7. That in December 2005, Alexander met with Silas Sanders, who is a senior citizen, and solicited the Illinois Investor to invest \$29,000.00 with Respondent Alexander Holdings.
8. Respondent Alexander represented that the proceeds of the investment would be used for the purchase and rehabilitation of investment property.
9. In or around December 2005, Silas Sanders wrote a check payable to “Alexander Holdings” in the amount of \$29,000.00. Silas Sanders delivered the check to Respondent Alexander.
10. That in exchange for the \$29,000.00, Respondent signed a promissory note, on December 30, 2005.
11. That the promissory note states that Respondent promised to pay the principal in full together with any accrued interest to Silas Sanders by the “maturity date” of January 1, 2007. Respondent was to pay interest to Silas Sanders quarterly, with the amount of each interest payment being \$375. Respondent was to make those payments quarterly until he had paid the principal and all of the interest that was due, and any other charges that he owed under the note.
12. That, in addition, Attachment 1 to the promissory note states Respondent and Silas Sanders agreed to the promissory note concerning borrowed funds for

the purchase and rehabilitation of property, and that Silas Sanders will receive 30% of net revenue from the sale of said properties.

13. Alexander, between December 2005 and March 2007, repeatedly withdrew monies from the Alexander Holdings, LLC bank account.
14. Contrary to Respondents' representations that the proceeds would be used to purchase and rehab investment property, Alexander used a substantial portion of the investment proceeds to purchase clothing, food, airfare and otherwise fund his personal living expenses.
15. Alexander omitted to inform Silas Sanders that the note was not an investment product of Chase Investment Services Corp.
16. Investor has received only one interest payment as a return on his investment and has not received any refund of the monies he invested.

WHEREAS, the Secretary of State finds the proposed Conclusions of Law of the Hearing Officer to be correct in part and incorrect in part and are hereby adopted as modified, based on the law and the record in this matter, and adopts them as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondent Terrence Alexander on or about June 24, 2008.
2. The Notice of Hearing included the information required under Section 1102 of the Code.
3. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
4. Because of Respondent's failure to file a timely answer, special appearance or other responsive pleading in accordance with Section 130.1104:
  - a. The allegations contained in the Amended Notice of Hearing are deemed admitted;
  - b. Respondent waived his right to a hearing; and
  - c. Respondent is subject to an Order of Default.
5. Because the Respondent failed to appear at the time and place set for hearing, in accordance with Section 130.1109 of the Rules, he:

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- a. waived his right to present evidence, argue, object or cross examine witnesses; or
  - b. otherwise participate at the Hearing.
6. Respondent's conduct, as set forth in paragraphs 1 through 16 of the proposed Findings of Fact, constitutes the offer and sale of stock and/or investment fund share, and thus a security, pursuant to Sections 2.1 and 2.5 of the Illinois Securities Law of 1953 (815 ILCS 5) (the "Act").
7. 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."
8. Paragraphs 1 through 16 allege facts that show conduct by the Respondents that violate Section 12.F of the Act. In particular: 1) Respondents failed to invest Investor's funds and did not inform Investor that the money was not invested entirely in Respondent Alexander Holding LLC; 2) Respondent misled the Investor into believing that his funds would be used and had been invested for Investor's benefit; and 3) Respondent Alexander converted Investor's funds for his own personal use and benefit.
9. That Section 12.G of the Act provides that it shall be a violation of the provisions of this 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 circumstances under which they were made, not misleading.
10. Paragraphs 1 through 16 allege facts that show conduct by the Respondents that violate Section 12.G of the Act.
11. The Act states in pertinent part: "[T]he registration of a dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative may be denied, suspended or revoked if the Secretary of State finds that the...investment advisor, or investment advisor representative:
  - a. Has engaged in any unethical practice in connection with any security, the offer or sale of securities, or in any fraudulent business practice (815 ILCS 5/8(E)(1)(b)); and

- b. Has violated any provisions of this Act (815 ILCS 5/8(E)(1)(g)).
12. Paragraphs 1 through 26 [of the Notice of Hearing], allege facts that support revocation of Respondent's registration as a salesperson and investment advisor representative. In particular, Respondent's failing to invest Investor's funds (sections 5/8(E)(1)(b) and (g)), not informing Investor that the money was not invested entirely in Respondent Alexander Holding LLC (sections 5/8(E)(1)(b) and (g)), and converting Investor's funds for his own personal use and benefit (sections 5/8(E)(1)(b) and (g)).
  13. That Section 11.E(2) of the Act provides, *inter alia*, if the Secretary of State shall find that any person has violated sub-sections A, D, F, or G of Section 12 of this Act, the Secretary of State may by written order permanently prohibit or suspend the person from offering or selling any securities, any mineral investment contract, or any mineral deferred delivery contract in this state, provided that any person who is the subject of an order of permanent prohibition may petition the Secretary of State for a hearing to present evidence of rehabilitation or change in circumstances justifying the amendment or termination of the order or permanent prohibition.
  14. That by virtue of the foregoing violations of sub-sections 12. F and G, Respondent is subject to an order of permanent prohibition from offering or selling any securities in the State of Illinois pursuant to Section 11.F(2) of the Act.
  15. That Section 11.E(4) of the Act provides, *inter alia*, that in addition to any other sanction or remedy contained in this subsection E, the Secretary of State, after finding that any provision of this Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of this Act, may issue an order of public censure against the violator, and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.
  16. That by virtue of the foregoing Findings of Fact, Respondent is subject to a fine, censure and costs of investigation pursuant to Section 11.E(4) of the Act.

WHEREAS, the Hearing Officer recommended that:

1. An order of default be entered against Respondents;

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2. An order be entered revoking Respondent Terrence Alexander's registrations as a salesperson and investment adviser representative in the State of Illinois;
3. An order be entered prohibiting Respondent Terrence Alexander from selling or offering for sale securities, and from engaging in the business of acting as an investment adviser representative in the State of Illinois; and
4. Respondent Terrence Alexander is **FINED** \$10,000.00 for each of Count I and Count II of the Amended Notice of Hearing for a total fine in the amount of \$20,000.00.

WHEREAS, the Hearing Officer found the Respondent in default and recommended that the Secretary of State PROHIBIT Respondent Terrence Alexander from offering or selling securities in the state of Illinois; and the Department accepts the recommendation of the Hearing Officer.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered permanently PROHIBITING Respondent Terrence Alexander from offering or selling securities in the State of Illinois.

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED THAT:

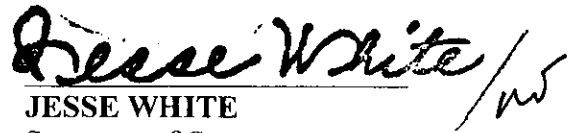
1. Terrence Alexander registration as a salesperson in the State of Illinois shall be and is **REVOKED** effective November 16, 2007;
2. Terrence Alexander registration as an investment adviser representative in the State of Illinois shall be and is **REVOKED** effective November 16, 2007;
3. Terrence Alexander is **PROHIBITED** from offering, and/or selling securities in the State of Illinois;
4. Terrence Alexander is **PROHIBITED** from engaging in the business of acting as an investment adviser or investment adviser representative in the State of Illinois; and

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5. Terrence Alexander is **FINED** in the amount of \$20,000.00.

ENTERED: This 15th day of December 2008.

  
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 who fails to comply with the terms of this Order shall be a violation of Section 12.D of the Act. Any person or entity who 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 Class 4 felony.

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.

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