

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Bank Watch, Frank Panice, Brian
Jines.

FILE NO. 0700082

ORDER OF PROHIBITION

TO THE RESPONDENTS: Bank Watch
2304 Olde Mill Road
Plainfield, Illinois 60544

Bank Watch
227 E. Main St.
Suite 204
Niles, Michigan 49120

Brian Jines
2304 Olde Mill Road
Plainfield, Illinois 60544

Brian Jines 18346-424
MCC Chicago
Metropolitan Correctional Center
71 W. Van Buren St.
Chicago, IL 60605

Frank Panice
227 E. Main St.
Suite 204
Niles, Michigan 49120

Frank Panice 18347-424
MCC Chicago
Metropolitan Correctional Center
71 W. Van Buren St.
Chicago, IL 60605

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on November 30, 2007 temporarily prohibiting Respondents from offering or selling securities in the State of Illinois until further order of the Secretary of State.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duty authorized representatives, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Final Findings of Fact as follows:

BACKGROUND FACTS

1. Respondent Brian Jines (hereinafter "Jines" or collectively Frank Panice and Bank Watch "Respondents") has a last known address of 2304 Olde Mill Road, Plainfield, IL 60544, and Metropolitan Correctional Center, 71 W. Van Buren St., Chicago, IL 60605.
2. Respondent Frank Panice (hereinafter "Panice" or collectively Brian Jines and Bank Watch "Respondents") has a last known address of 227 E. Main St., Niles, MI 49120, and Metropolitan Correctional Center, 71 W. Van Buren St., Chicago, IL 60605.
3. Respondent Bank Watch (hereinafter "Bank Watch" or collectively with Brian Jines and Frank Panice "Respondents") has a last known address of 227 E. Main St., Niles, MI 49120.
4. At all times relevant to this Temporary Order of Prohibition, Respondents Jines and Panice were control persons of Respondent Bank Watch.
5. Investor is a Florida resident.

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Failure to Register Securities

6. From October 2003 through August of 2006, Respondents solicited investors by placing ads in newspapers across the country including the Oregonian Newspaper in Portland, Oregon, the Arizona Republic newspaper in Phoenix, Arizona, and the Orlando Sentinel in Orlando, Florida.
7. The Ads detailed an investment opportunity whereby an investor could earn an annual rate of return of over five percent by investing in certificates of deposit, which were insured up to \$100,000 per person by the Federal Deposit Insurance Corporation (FDIC). The Ads listed a phone number for investors to call.
8. Upon seeing one of the Ads placed around January of 2005, Investor contacted the Respondents by calling the telephone number posted in the Ad (the "Phone Call").
9. During the Phone Call Respondents solicited Investor to purchase a Certificate of Participation in a plan in which Respondents pooled participants' monies and purchased various certificated of deposit with various rates and terms.
10. On January 27, 2005 Respondents sold to Investor a Certificate of Participation (Certificate of Participation #1), in the amount of \$50,000 which promised an annual interest rate of 5.69 percent.
11. On February, 28 2005 Respondents sold to Investor a Certificate of Participation (Certificate of Participation #2), in the amount of \$40,000 which promised an annual interest rate of 5.19 percent.
12. In January of 2005, Investor sent Respondents a check in payment of Certificate of Participation #1 as instructed by Respondents.
13. In February of 2005, Investor sent Respondents a check in payment of Certificate of Participation #2 as instructed by Respondents.
14. Both checks were deposited into Respondents' account (Bank Account), which was opened and maintained by Brian Jines at a Bank in Crest Hill, Illinois.
15. The activities described above constitute the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
16. Section 5 of the Act provides, *inter alia*, that all securities except those set forth under Section 2a of this Act exempt under Section 3 of this Act or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.

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17. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
18. Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (“the Act”) provides, *inter alia*, that it shall be a violation of the Act to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
19. By virtue of the foregoing, Respondents violated 12.D of the Act.

Fraud

20. In fact, Respondents never deposited Investor’s money in a pool that purchased certificates of deposit.
21. In fact, Investor’s funds were spent for Respondents’ own use and benefit.
22. Up until December of 2006 Respondents sent monthly account statements to Investor reflecting the Investor’s principal and accrued interest.
23. To date, Respondents have failed and refuse to pay the Investor his principal and interest on Certificate of Participation #1.
24. To date, Respondents have failed and refuse to pay the Investor his principal and interest on Certificate of Participation #2.
25. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
26. By virtue of the foregoing, Respondent violated Section 12.F of the Act.
27. Section 12.G of the Act provides, *inter alia*, that it shall be a violation 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 circumstances under which they were made, not misleading.
28. By virtue of the foregoing, Respondent violated Section 12.G of the Act.

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29. Section 12.I of the Act provides, *inter alia*, that it shall be a violation 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.
30. By virtue of the foregoing, Respondent violated Section 12.I of the Act.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Temporary Order as the Secretary of State's Conclusion of Law as follows:

1. By virtue of the foregoing, Respondents violated 12.F of the Act.
2. By virtue of the foregoing, Respondents violated 12.G of the Act.
3. By virtue of the foregoing, Respondents violated 12.I of the Act.

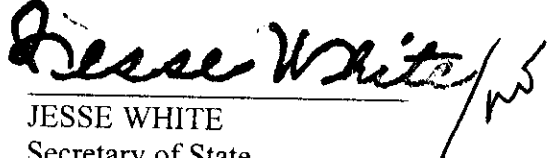
NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **Brian Jines**, Respondent **Frank Panice**, and Respondent **Bank Watch**, its board members, agents, affiliates, successors and employees, are permanently **PROHIBITED** from offering or selling securities in the 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.

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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 Illinois Securities Act (14 Ill. Admin. Code, Ch. I, 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.

Dated: This 9th day of January 2008


JESSE WHITE
Secretary of State
State of Illinois

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