

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

IN THE MATTER OF: JACQUELINE BOYKIN

FILE NO. 0800014

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS: **Jacqueline Boykin
2015 W. 82nd Place
Chicago, Illinois 60628**

**Jacqueline Boykin
1803 95th Street, Suite 194
Chicago, Illinois 60643**

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 Jacqueline Boykin ("Boykin") is a natural person with a last known address of 2015 W. 82nd Place, Chicago, Illinois 60628.
2. Respondent Boykin was affiliated with Innovative Projects, Inc. ("IP"), doing business as American Investors Network ("AIN"), whose principal place of business was in Englewood, Colorado.
3. On December 19, 2007, the United States Securities and Exchange Commission ("SEC"), filed a complaint against IP, Jarrod W. McMillin ("McMillin"), Laurence Young ("Young"), Ann B. Liebermann ("Liebermann") and Jason A. Kolakowski ("Kolakowski"), alleging a classic Ponzi scheme conducted from February 2007 and continuing through 2008 in which the defendants fraudulently solicited investors to finance purported advertising programs with the promise of monthly profits of \$10,000.00 to \$20,000.00 on an individual's investment of \$2,000.00.
4. On January 8, 2009, United States District Court for the District of Colorado entered a final judgment against IP, McMillin, Young, Liebermann, and Kolakowski. They were found to be jointly and severally liable for disgorgement in the amount of \$673,983.00 representing profits from the conduct alleged in the

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SEC's complaint plus pre-judgment interest of \$19,349.00 for a total of \$693,332.00

5. Respondent Boykin solicited at least one Illinois Investor ("Investor") and convinced him to invest \$16,000.00 with AIN. Respondent Boykin represented to the Investor that the initial investment of \$16,000.00 was to pay for advertising AIN sold and setup including toll free numbers.
6. At no time did Respondent Boykin disclose to the Investor the existence of a Cease and Desist Order entered by the Missouri Securities Department, Office of Secretary of State on May 12, 2006.
7. On August, 30, 2007, the Investor entered into a Limited Partner Agreement with AIN and wired \$16,000.00 from his Bank of America account to AIN's Academy Bank account. The Investor was guaranteed to earn 50% of all profits earned through the agreement. Payments would be made the first week of each month for sales made through the 15th of the previous month.
8. Initially, Respondent Boykin proposed to the Investor a \$10,000.00 commission on the \$16,000 investment contract with AIN. The Investor told the Respondent that that was an unreasonable amount and agreed to a \$4,000.00 fee. On October 1, 2007, the Investor wired \$4,000.00 to Jacqueline Boykin's personal bank account at Bank of America.
9. At all relevant times, the Investor did not receive any type of payment from AIN the first week of each month or any time thereafter. Approximately one year after the initial investment, AIN refunded the Investor \$16,000.00, which was the total amount invested.
10. To date, Respondent Boykin has failed to pay back to the Investor the \$4,000.00 commission fee.
11. Respondents' activities described above involve the offer and sale of a promissory note as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS] (the "Act").

COUNT I

FRAUD

FAILURE TO DISCLOSE MISSOURI SECURITIES DEPARTMENT

CEASE AND DESIST ORDER

12. On May 12, 2006, the State of Missouri, Securities Division ("Missouri Securities Division") issued a Cease and Desist Order ("Order") against the Respondent Boykin.

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13. The Order prohibited Respondent Boykin from selling securities in the state of Missouri.
14. At all relevant times, Respondent Boykin never disclosed to the Investor that there was an Order against her by the Missouri Securities Division.
15. As a result, the above-mentioned omissions of fact address the honesty, integrity, competency, and the financial capabilities of the Respondent to pay back to the Investor the stated interest payments and principal.
16. 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.
17. By virtue of the foregoing, Respondent violated Section 12.F of the Act.
18. 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.
19. By virtue of the foregoing, Respondent violated Section 12.G of the Act.

COUNT II

FAILURE TO REGISTER SECURITIES

20. Section 5 of the Act provides, *inter alia*, that "all securities except those set forth under Section 2a of this Act...or those exempt...shall be registered...prior to their offer or sale in this State.
21. Respondents Boykin failed to file an application with the Secretary of State to register the Investment Contract as required by the Act, and as a result the

Investment Contract was not registered as such prior to their sale in the State of Illinois.
22. Section 12.A of the Act provides, *inter alia*, that it shall be a violation of the Act to offer or sell any security except in accordance with the provisions of the Act.
23. Section 12.D of 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

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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.

24. By virtue of the foregoing, Boykin violated Sections 12.A and 12.D of the Act.
25. Section 11.F(2) of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, ("the Act") provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend for a maximum period of 90 days, by an order effective immediately, the offer or sale of securities by any person, if the Secretary of State shall in his or her opinion, based on credible evidence, deem it necessary to prevent an imminent violation of this Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of this Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent Boykin is temporarily **PROHIBITED** from offering or selling securities in or from this State.


NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to:

Maria Pavone
Enforcement Attorney
Illinois Securities Department
69 W. 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.

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 March 2010


JESSE WHITE
Secretary of State
State of Illinois

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Illinois Securities Department
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