

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: METRO EAST INSURANCE GROUP,)
ITS OFFICERS, DIRECTORS,) File No. 0900516
EMPLOYEES, AFFILIATES, SUCCESSORS,)
AGENTS AND ASSIGNS,)
AND VICTORIA RENOIS MCGEE-HARRIS)

ORDER OF PROHIBITION AND SUSPENSION OF REGISTRATION

TO THE RESPONDENTS: Metro East Insurance Group
Victoria Renois McGee-Harris (CRD#1183259)
7164 Washington Ave.
St. Louis, Missouri 63130

Metro East Insurance Group
Victoria Renois McGee-Harris (CRD#1183259)
4956 Benchmark Center Drive
Suite A
Swansea, Illinois 62226

WHEREAS, a Temporary Order of Prohibition and Suspension of Registration was issued by the Secretary of State on January 8, 2010, prohibiting Metro East Insurance Group and Victoria Renois McGee-Harris from offering or selling securities in the State of Illinois until further order of the Secretary of State and suspending the securities salesperson registration for Victoria Renois McGee-Harris.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act"), the failure to request a hearing within thirty days of the entry of the Temporary Order of Prohibition shall constitute a sufficient basis to make the Temporary Order final.

WHEREAS, Victoria Renois McGee-Harris has failed to request a hearing on the matters contained in the said Temporary Order within thirty days of the entry of said Temporary Order and is hereby deemed to have admitted the facts alleged in the said Temporary Order.

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

1. That Respondent, Metro East Insurance Group, is a purported business entity with a last known address of

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4956 Benchmark Center Drive, Suite A, Swansea, Illinois 62226;

2. That Respondent Victoria Renois McGee-Harris, DOB November 8, 1952, CRD #1183259, is a registered securities salesperson with the Illinois Securities Department through Tower Square Securities, Inc., and is licensed with the Illinois Department of Insurance, with a last known home address of 7164 Washington Ave., St. Louis, Missouri 63130 and a last known business address of 4956 Benchmark Center Drive, Suite A, Swansea, Illinois 62226, and at all times relevant was an Officer, Director, Agent or Employee of Metro East Insurance Group;
3. That on or about February 23, 2007, Respondent Victoria Renois McGee-Harris met with her client, TA, an Illinois resident, asked TA for her checkbook, advised TA that Respondent was making an investment for TA, filled out check #1032, payable to Metro East Insurance Group, dated February 23, 2007, in the amount of \$40,000, at which time TA signed said check after which Respondent took possession of said check and deposited said check in Respondent Metro East Insurance Group's bank account on February 23, 2007;
4. That on or about March 29, 2007, Respondent Victoria Renois McGee-Harris again met with TA, asked for TA's checkbook, wrote out check #1033, payable to Metro East Insurance Group, dated March 29, 2007, in the amount of \$50,000, and wrote in the check memo "Oppenh", at which time TA signed the check after which Respondent took possession of said check and deposited said check in Respondent Metro East Insurance Group's bank account on April 2, 2007;
5. That Respondent Victoria Renois McGee-Harris has signatory authority in regards to the aforesaid Respondent Metro East Insurance Group bank account;
6. That since the aforesaid signing and execution of the two aforesaid checks #1032 and #1033, totaling \$90,000, Respondent Victoria Renois McGee-Harris continued to represent multiple times to TA and/or her daughter, TH, that said funds from said checks had been invested in AllianceBernstein and Evergreen Investments securities/investment accounts, when in fact said funds were not so invested, nor were said funds invested for TA in any other securities or investment account, but

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rather said funds were used by Respondents for Respondents' own benefit, use and expenses;

7. That during the months of March and April, 2009, Respondents represented that TA had not been receiving AllianceBernstein and/or Evergreen Investment account statements because TA's home address was incorrect and that TA's AllianceBernstein's account had to be moved because TA did not fit a "risk profile" as set forth in the original accounts; Respondent further represented that the combined accounts lost approximately \$30,000 due to market conditions;
8. That on or about March 3, 2009, an AllianceBernstein account was opened by the Respondents in TA's name for the amount of \$30,429.00 and that no such account existed prior to that time;
9. That on or about May 7, 2009, the Respondents paid \$30,095.00 to Evergreen Investments from funds paid to Respondents by another individual other than TA;
10. That on or about May 8, 2009, an Evergreen Investment account was opened by the Respondents in TA's name with an initial investment amount of \$30,095.00 and that no such account existed prior to that time;
11. That as of December 3, 2009, TA was 74 years old;
12. That TA is a native of Okinawa and that English is TA's second language;
13. That TA has been a client of Respondent Victoria Renois McGee-Harris for over 20 years during which Respondent McGee-Harris has acted as TA's securities salesperson and that Respondent McGee-Harris and TA have developed a relationship in which TA trusts Respondent McGee-Harris and in which TA is dependent on and follows Respondent McGee-Harris' recommendations and advice;
14. That TA's husband passed away in June, 2005;
15. That prior to his passing, TA's husband trusted Respondent McGee-Harris completely and advised TA that if anything happened to him, that TA was to follow Respondent McGee-Harris' advice;
16. That each of the aforesaid purported investments is a security as that term is defined pursuant to Section

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2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");

17. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
18. That 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 connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof;
19. That 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;
20. That 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;
21. That Section 8.E.1(b) of the Act states, inter alia, that subject to the provisions of subsection F of Section 11 of the Act, the registration of a salesperson may be suspended or revoked if the Secretary of State finds that the salesperson or investor adviser representative has engaged in any unethical practice in the offer or sale of securities;
22. That Section 8.E.1(g) of the Act states, inter alia, that subject to the provisions of subsection F of Section 11 of the Act, the registration of a salesperson may be suspended or revoked if the Secretary of State finds that the salesperson or investor adviser representative has violated any of the provisions of this Act;

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23. That at all times relevant hereto, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, obtained money through the sale of securities by means of an untrue statement of material fact or omission to state a material fact, by representing to TA and/or TA's daughter, TH, that TA's funds from checks #1032 and #1033, totaling \$90,000, were invested in AllianceBernstein and Evergreen Investment securities/investment accounts in 2007, where fact, Respondents never invested said funds in said securities/investment accounts or any other securities/investment account, but rather used said funds for Respondents' own benefit, use and expenses; furthermore, Respondents continued to represent that the purported aforesaid 2007 accounts existed up through the time new accounts in AllianceBernstein and Evergreen Investment were opened by Respondents in TA's name in 2009; furthermore, Respondents failed to disclose that said new 2009 accounts were opened and funded by Respondents with funds other than the original aforesaid funds from checks #1032 and #1033, and that in the case of the Evergreen Investment account, said account was opened and funded by Respondents from funds obtained from an individual other than TA; furthermore, Respondents represented that the aforesaid new 2009 accounts were reopened, or moved from, the accounts purportedly opened in 2007 because TA's address was changed and/or because TA did not fit a purported risk profile, and further represented said 2007 accounts lost money due to market conditions, when in fact no such accounts existed prior to 2009;
24. That at all times relevant hereto, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, engaged in a transaction, practice or course of business in connection with the sale or purchase of securities that worked or tended to work a fraud or deceit upon the purchaser thereof, by representing to TA and/or TA's daughter, TH, that TA's funds from checks #1032 and #1033, totaling \$90,000, were invested in AllianceBernstein and Evergreen Investment securities/investment accounts in 2007, where fact, Respondents never invested said funds in said securities/investment accounts or any other

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securities/investment account, but rather used said funds for Respondents' own benefit, use and expenses; furthermore, Respondents continued to represent that the purported aforesaid 2007 accounts existed up through the time new accounts in AllianceBernstein and Evergreen Investment were opened by Respondents in TA's name in 2009; furthermore, said new 2009 accounts were opened and funded by Respondents with funds other than the original aforesaid funds from checks #1032 and #1033, and that in the case of the Evergreen Investment account, said account was opened and funded by Respondents from funds obtained from an individual other than TA; furthermore, Respondents represented that the aforesaid new 2009 accounts were reopened, or moved from, the accounts purportedly opened in 2007 because TA's address was changed and/or because TA did not fit a purported risk profile, and further represented said 2007 accounts lost money due to market conditions, when in fact no such accounts existed prior to 2009; that said new 2009 accounts were so opened and funded and the aforesaid continuing representations were made by Respondents to further Respondents' aforesaid deception that TA's original funds were so invested in 2007 when in fact said original funds had not been so invested but rather were used for Respondents' benefit, use and expenses;

25. That at all times relevant hereto, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, employed a device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly, by representing to TA and/or TA's daughter, TH, that TA's funds from checks #1032 and #1033, totaling \$90,000, were invested in AllianceBernstein and Evergreen Investment securities/investment accounts in 2007, where fact, Respondents never invested said funds in said securities/investment accounts or any other securities/investment account, but rather used said funds for Respondents' own benefit, use and expenses; furthermore, Respondents continued to represent that the purported aforesaid 2007 accounts existed up through the time new accounts in AllianceBernstein and Evergreen Investment were opened by Respondents in TA's name in 2009; furthermore, said new 2009 accounts were opened and funded by Respondents with funds other than the original aforesaid funds from checks #1032 and #1033, and that in the case of the

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Evergreen Investment account, said account was opened and funded by Respondents from funds obtained from an individual other than TA; furthermore, Respondents represented that the aforesaid new 2009 accounts were reopened, or moved from, the accounts purportedly opened in 2007 because TA's address was changed and/or because TA did not fit a purported risk profile, and further represented said 2007 accounts lost money due to market conditions, when in fact no such accounts existed prior to 2009; that said new 2009 accounts were so opened and funded and the aforesaid continuing representations were made by Respondents to further Respondents' aforesaid deception that TA's original funds were so invested in 2007 when in fact said original funds had not been so invested but rather were used for Respondents' benefit, use and expenses;

26. That at all times relevant hereto, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, engaged in an unethical practice in the offer or sale of securities and in a fraudulent business practice as well as violated the Act by representing to TA and/or TA's daughter, TH, that TA's funds from checks #1032 and #1033, totaling \$90,000, were invested in AllianceBernstein and Evergreen Investment securities/investment accounts in 2007, where fact, Respondents never invested said funds in said securities/investment accounts or any other securities/investment account, but rather used said funds for Respondents' own benefit, use and expenses; furthermore, Respondents continued to represent that the purported aforesaid 2007 accounts existed up through the time new accounts in AllianceBernstein and Evergreen Investment were opened by Respondents in TA's name in 2009; furthermore, said new 2009 accounts were opened and funded by Respondents with funds other than the original aforesaid funds from checks #1032 and #1033, and that in the case of the Evergreen Investment account, said account was opened and funded by Respondents from funds obtained from an individual other than TA; furthermore, Respondents represented that the aforesaid new 2009 accounts were reopened, or moved from, the accounts purportedly opened in 2007 because TA's address was changed and/or because TA did not fit a purported risk profile, and further represented said 2007 accounts lost money due to market conditions, when in fact no such accounts existed prior

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to 2009; that said new 2009 accounts were so opened and funded and the aforesaid continuing representations were made by Respondents to further Respondents' aforesaid deception that TA's original funds were so invested in 2007 when in fact said original funds had not been so invested but rather were used for Respondents' benefit, use and expenses;

27. That Section 11.F(2) of the Act provides, inter alia, that the Respondent's failure to request a hearing within 30 days after the date of the entry of the Temporary Order shall constitute an admission of any facts alleged therein and shall constitute sufficient basis to make the Temporary Order final;

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 final Conclusions of Law as follows:

1. That by virtue of the foregoing, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, have violated Sections 12.F, 12.G and 12.I of the Act;
2. That by virtue of the foregoing, Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, are subject to an Order which permanently prohibits Respondent from offering or selling securities in the State of Illinois as well as an order which permanently suspends Victoria Renois McGee-Harris' salesperson registration in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:



1. The Respondents Metro East Insurance Group, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Victoria Renois McGee-Harris, shall be permanently prohibited from offering and selling securities in the State of Illinois; and

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2. The Illinois securities salesperson registration of Respondent Victoria Renois McGee-Harris shall be permanently suspended.

ENTERED: This *2nd* day of *March*, 2010

Jesse White
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the 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 the Order, shall be guilty of a 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 Illinois Securities Act, [14 Ill. Admin. Code Ch. I, Section 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.

Attorney for the Secretary of State:
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