

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: PALM BEACH INVESTMENT GROUP, INC., )  
ITS OFFICERS, DIRECTORS, ) File No.9900365  
EMPLOYEES, AGENTS, AFFILIATES, )  
SUCCESSORS AND ASSIGNS AND )  
NANETTE MARIANI AND MICHAEL )  
CRAMER AND PATRICK J. FLYNN )

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CONSENT ORDER OF PROHIBITION AND FINE

TO THE RESPONDENT: Patrick J. Flynn  
C/O Douglas C. Tibble  
McBride Bakers & Coles  
One Mid America Plaza, Suite 1000  
Oakbrook Terrace, Ill 60181-4710

WHEREAS, Patrick J. Flynn (the "Respondent") on January 20, 2003, executed a certain Stipulation To Enter Consent Order of Prohibition and Fine (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order of Prohibition and Fine.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

1. That the Respondent, Palm Beach Investment Group, Inc., is a purported corporation, which maintains a last known business address of 12765 West Forest Hill Boulevard, No. 1313, Wellington, Florida, 33414.

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2. That, at all times relevant the Respondent, Patrick J. Flynn, was an agent or employee of Palm Beach Investment Group, Inc.
3. That during the years 1998 and 1999, the Respondent, Patrick J. Flynn, sold to Illinois residents shares of stock issued or issuable by Palm Beach Investment Group, Inc. at a price of Five Thousand Dollars (\$5,000.00) per share.
4. That the above-referenced shares of stock issued or issuable by Palm Beach Investment Group, Inc. are securities as that term is defined pursuant to Section 2.1 of the Illinois Securities Law [815 ILCS 5/1 et seq.] (the "Act").
5. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2a, or those exempt under Section 3, 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.
6. That at all times relevant hereto, the shares of stock issued or issuable by Palm Beach Investment Group, Inc. to Illinois residents were not registered with the Secretary of State pursuant to Section 5 of the Act prior to their offer or sale in the State of Illinois.
7. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act.
8. That 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 document required to be filed under any provision of the Act.
9. That at all times relevant hereto, the above-referenced stock of Palm Beach Investment Group was offered in the State of Illinois at a time it was not registered pursuant to Section 5 of the Act.
10. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act.
11. That section 8.A. of the Act states, inter alia, that, except as otherwise provided in subsection A, every

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salesperson shall be registered as such with the Secretary of State.

12. That Respondent, Patrick J. Flynn, was not registered in Illinois during the relevant time period of the sales of securities in the State of Illinois.
13. That Section 11.E.(2) of the Act provides, inter alia, that the Secretary of State may temporarily or permanently suspend or prohibit the offer or sale of securities by any person if the Secretary of State finds that the person has violated a subsection of subsections C-K of Section 12. of the Act.
14. That Section 11.E.(4) of the Act provides, inter alia, that the Secretary of State, after finding that any provision of the Act has been violated may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of the Act and may issue an order of public censure against the violator.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

1. That by virtue of the foregoing, the Respondent, Patrick J. Flynn, has violated Sections 12.A and 12.D of the Act.
2. That by virtue of the foregoing, the Respondent, Patrick J. Flynn, is subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The allegations contained in paragraphs seven (7) and eight (8) of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law.
2. The Respondent shall be permanently prohibited from offering and selling securities in the State of Illinois, except in compliance with the Act;
3. Within thirty (90) business days of the entry of the Consent Order, the Respondent shall pay an administrative fine in the amount of \$5,000.00. Said fine shall be paid by means of a

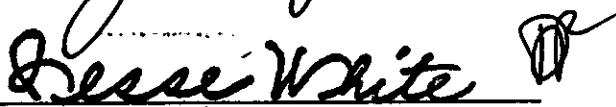
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certified or cashiers check made payable to the Secretary of State; and

4. The formal hearing scheduled on this matter is hereby dismissed without further proceeding.

ENTERED: This 31<sup>st</sup> day of January, 2003.

  
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JESSE WHITE  
Secretary of State

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953 [815 ILCS 5] (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 a Class 4 felony.