

State of Missouri
Office of Secretary of State

Case No. AP-11-26

IN THE MATTER OF:

JASON MITCHELL GUILLEN; and
CHERIE MICHELLE LEE,

Respondents.

Serve: Jason Mitchell Guillen at:
820 East Montclair Street, Apartment 603
Springfield, Missouri 65807

Serve: Cherie Michelle Lee at:
820 East Montclair Street, Apartment 603
Springfield, Missouri 65807

**FINAL ORDER TO CEASE AND DESIST AND ORDER IMPOSING CIVIL PENALTIES, AWARDING COSTS AND TO
PAY RESTITUTION AS TO ALL RESPONDENTS**

On December 12, 2011, the Enforcement Section of the Securities Division of the Office of Secretary of State ("Enforcement Section"), by and through Assistant Commissioner, Mary S. Hosmer, submitted a Petition for Final Order to Cease and Desist and Payment of Restitution, Civil Penalties and Costs as to All Respondents (the "Petition"). After reviewing the Petition, the Commissioner issues the following findings of facts, conclusion of law and order:

PROCEDURAL BACKGROUND

1. On October 12, 2011, Mary S. Hosmer, Assistant Commissioner for the Securities Division and on behalf of the Enforcement Section, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed (the "C&D Petition") in the above-styled matter.
2. On October 18, 2011, the Commissioner issued an Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed (the "C&D Order") against the Respondents.
3. On October 18, 2011, a representative of the Commissioner sent a copy of the Order via certified mail to Respondents at the above-listed address. Receipt of the Order was signed by Wendy Foster for Respondents on October 20, 2011.
4. Respondents failed to request a hearing within the time allowed by Section 409.6-604, RSMo. (Cum. Supp. 2009), and did not otherwise contact or communicate with the Commissioner at any time.
5. In the Petition, the Enforcement Section requested a Final Order to Cease and Desist in this matter.
6. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Guillen for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009).
7. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Lee for materially assisting Guillen's violations of Section 409.3-301, RSMo. (Cum. Supp. 2009).
8. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Guillen for committing at least two violations of Section 409.3-301, RSMo. (Cum. Supp. 2009), against an elderly person.
9. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of five thousand dollars (\$5,000) against Respondent Lee for materially assisting the violations of Section 409.3-301, RSMo. (Cum. Supp. 2009), Guillen committed against an elderly person.
10. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Guillen for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009).
11. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Guillen for committing at least two violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009), involving an elderly person.
12. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty in the amount of ten thousand dollars (\$10,000) against each of Respondent Guillen and Respondent Lee for multiple violations of Section 409.5-501, RSMo. (Cum. Supp. 2009).
13. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty in the amount of ten thousand dollars (\$10,000) against Respondent Guillen for committing at least two violations of Section 409.5-501, RSMo. (Cum. Supp. 2009), against an elderly person.
14. In the Petition, the Enforcement Section requested that the Commissioner issue an order requiring Respondents to pay restitution in the amount of two hundred thirteen thousand, eight hundred dollars (\$275,397), and interest in the amount of sixty-one thousand five hundred ninety-seven dollars (\$61,597).
15. In the Petition, the Enforcement Section requested that the Commissioner issue an order requiring each Respondent, jointly and severally, to pay the costs of the investigation in this matter in the amount of eight thousand four hundred sixty dollars (\$8,460).

FINDINGS OF FACT

16. The Commissioner adopts and incorporates the Findings of Fact, paragraphs 1 - 23, in the C&D Order.

CONCLUSION OF LAW

17. The Commissioner adopts and incorporates the Conclusions of Law, paragraphs 36 - 58, in the C&D Order.
18. This Order is in the public interest and consistent with the purposes intended by the Missouri Securities Act of 2003.

ORDER

NOW, THEREFORE, it is hereby ORDERED that:

- A. The Cease and Desist Order entered in Case Number AP-11-26 on October 18, 2011, is FINAL.

- B. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay a civil penalty in the amount of seven thousand five hundred dollars (\$7,500) to the State of Missouri for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- C. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Lee shall pay a civil penalty in the amount of two thousand dollars (\$2,000) to the State of Missouri for materially assisting Guillen's violations of Section 409.3-301, RSMo. (Cum. Supp. 2009), on multiple occasions. This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Lee shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- D. Pursuant to Section 409.6-604(d)(3)(B), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay an additional civil penalty in the amount of seven thousand five hundred dollars (\$7,500) to the State of Missouri for committing at least two violations of Section 409.3-301, RSMo. (Cum. Supp. 2009), against an elderly person. This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- E. Pursuant to Section 409.6-604(d)(3)(B), RSMo. (Cum. Supp. 2009), Respondent Lee shall pay an additional civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for materially assisting the violations of Section 409.3-301, RSMo. (Cum. Supp. 2009), Guillen committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Lee shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- F. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay a civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- G. Pursuant to Section 409.6-604(d)(3)(B), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay an additional civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for at least two violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009), involving an elderly person. This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- H. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay a civil penalty in the amount of ten thousand dollars (\$10,000) to the State of Missouri for multiple violations of Section 409.5-501, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- I. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Lee shall pay a civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for multiple violations of Section 409.5-501, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Lee shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- J. Pursuant to Section 409.6-604(d)(3)(B), RSMo. (Cum. Supp. 2009), Respondent Guillen shall pay an additional civil penalty in the amount of ten thousand dollars (\$10,000) to the State of Missouri for committing at least two violations of Section 409.5-501, RSMo. (Cum. Supp. 2009), against an elderly person. This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Guillen shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- K. Pursuant to Section 490.6-604(d), RSMo. (Cum. Supp. 2009), Respondents shall pay restitution in the amount of two hundred thirteen thousand, eight hundred dollars (\$213,800), and interest calculated at the rate of eight percent (8%) per year from the date of the violation causing the loss, totaling sixty-one thousand five hundred ninety-seven dollars (\$61,597), arising from violations of Sections 409.3-301, 409.4-402 and 409.5-501, RSMo. (Cum. Supp. 2009). Respondent Guillen and Respondent Lee shall be jointly and severally liable for this amount, which totals two hundred seventy-five thousand three hundred ninety-seven dollars (\$275,397). This amount shall be made payable to the Missouri Secretary of State's Investor Restitution Fund and the Commissioner will take reasonable and necessary actions to distribute such funds to those persons referenced in Exhibit A and injured by the acts and violations. This amount shall be paid by the Respondents within thirty (30) days of the date of this Order. The Respondents shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- L. Pursuant to Section 409.6-604(e) RSMo. (Cum. Supp. 2009), Respondents shall pay the additional sum of eight thousand four hundred sixty dollars (\$8,460) as reimbursement for the costs of the investigation and administration of this matter. This amount shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund and paid within thirty (30) days of the date of this Order. Respondents shall deliver this payment to the Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- M. Pursuant to Section 409.6-604(f), RSMo. (Cum. Supp. 2009), this matter shall be referred to the Missouri Attorney General's Office to collect the restitution, penalties and costs described in the Order, as necessary. In the event of such referral, priority in collection shall be given to recovery of monies for the restitution and interest ordered under paragraph K, above. Once such collection efforts result in the full satisfaction of paragraph K, priority shall be given to recovery of monies for the civil penalties ordered under paragraphs B, C, D, E, F, G, H, I, and J, above.
- N. Respondents shall pay their own costs and attorney's fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 16TH DAY OF DECEMBER, 2011.

ROBIN CARNAHAN
SECRETARY OF STATE

(Signed/Sealed)
MATTHEW D. KITZI
COMMISSIONER OF SECURITIES

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of December, 2011, a copy of the foregoing Final Order to Cease and Desist and Payment of Restitution, Civil Penalties, and Costs in the above styled case was **mailed by certified U.S. Mail, return receipt requested to:**

Jason Mitchell Guillen
820 East Montclair Street, Apartment 603
Springfield, Missouri 65807

Cherie Michelle Lee
820 East Montclair Street, Apartment 603
Springfield, Missouri 65807

And hand-delivered to:

Mary S. Hosmer
Assistant Commissioner
Missouri Securities Division

John Hale, Specialist

EXHIBIT A

Investor **Amount Invested**
Interest

MR4 and MR5 \$ 58,800.00
\$ 18,041

MR1 and MR2 \$155,000.00
\$ 43,556

\$213,800.00
\$ 61,597

TOTAL AMOUNT INVESTED PLUS INTEREST \$275,397

Interest @ 8% per annum = .00667 per mo. (rounded)

MR4 and MR5:

Invested \$58,800 in 2/08 -- 46 mos. x .00667 x 58,800 = \$18,041 (rounded)

MR1 and MR2:

Invested \$100,000 in 5/08 -- 43 mos. x .00667 x 100,000 = \$28,681

Invested \$50,000 in 7/08 --- 41 mos. x .00667 x 50,000 = \$13,674 (rounded)

Invested \$5,000 in 12/08 --- 36 mos. x .00667 x 5,000 = \$1,201 (rounded)

Total \$213,800.00
\$ 43,556