

1 **STATE OF WASHINGTON**  
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**  
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Securities Act of Washington by:

5 Beverly Hills Jewelry & Loans, Inc.,  
6 Alan Bernard Slotnikow,

7 Respondents

Order No. S-20-2915-20-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER TO  
CEASE AND DESIST, TO IMPOSE A FINE, AND TO  
CHARGE COSTS

8 **THE STATE OF WASHINGTON TO:**

Beverly Hills Jewelry & Loans, Inc.  
9 Alan Bernard Slotnikow

10 On June 17, 2020, the Securities Administrator of the state of Washington issued Statement of  
11 Charges and Notice of Intent to Enter Order to Cease and Desist, to Impose a Fine, and to Charge Costs,  
12 Order No. S-20-2915-20-SC01 (“Statement of Charges”). The Statement of Charges, together with a Notice  
13 of Opportunity for Hearing (“Notice”) and an Application for Adjudicative Hearing (“Application”), were  
14 served on Respondent Beverly Hills Jewelry & Loans, Inc. on August 3, 2020 and on Respondent Alan  
15 Bernard Slotnikow on June 25, 2020. The Notice advised Respondents Beverly Hills Jewelry & Loans,  
16 Inc. and Alan Bernard Slotnikow that the Application must be received within twenty days from the date  
17 of service. Respondents Beverly Hills Jewelry & Loans, Inc. and Alan Bernard Slotnikow each failed to  
18 request an administrative hearing within twenty days of service.

19 The Securities Administrator therefore adopts as final the following Findings of Fact and  
20 Conclusions of Law as set forth in the Statement of Charges and enters a final order against Respondents  
21 Beverly Hills Jewelry & Loans, Inc. and Alan Bernard Slotnikow to cease and desist from violations of the  
22 Securities Act, and to impose the fine and the costs sought in the Statement of Charges.  
23

1 **FINDINGS OF FACT**

2 **Respondents**

3 1. Beverly Hills Jewelry & Loans, Inc. (“Beverly Hills Jewelry”) was a Nevada corporation that  
4 was incorporated on April 26, 2019, and dissolved on November 18, 2019, with its principal place of  
5 business in Las Vegas, Nevada. Beverly Hills Jewelry held itself out as being in the business of creating an  
6 Internet auction website for pawnbrokers.

7 2. Alan Bernard Slotnikow (“Slotnikow”) resided in Las Vegas, Nevada. Slotnikow was the  
8 President and the Chief Executive Officer of Beverly Hills Jewelry.

9 **Nature of the Conduct**

10 3. During July and August 2019, Beverly Hills Jewelry offered and sold Beverly Hills Jewelry  
11 stock totaling \$30,000 to a Washington senior citizen. Beverly Hills Jewelry’s initial contact with the  
12 Washington investor was through a “cold call” solicitation. The caller represented that Beverly Hills  
13 Jewelry was creating a website “like e-Bay” for pawnbrokers. The caller also represented that Beverly Hills  
14 Jewelry would soon be having an initial public stock offering and that investments “did not get any better  
15 this.”

16 4. Following phone call solicitations to invest, the Washington investor made three investments  
17 of \$10,000 each. Each time, the investor wire transferred funds to Beverly Hills, California. The investor  
18 never received any investment offering materials, but the investor did receive stock certificates. Along with  
19 the stock certificates, the investor also received payments that were characterized as “interest” payments.  
20 The payments totaled approximately \$3,960. The investor has not received any other return on the  
21 investments.

22 **Omissions of Material Information**



1 Based upon the above Findings of Fact, the following Conclusions of Law are made:

2 **CONCLUSIONS OF LAW**

3 1. The offer and/or sale of the stock described above constitutes the offer and/or sale of a security  
4 as defined in RCW 21.20.005(14) and (17).

5 2. Beverly Hills Jewelry and Slotnikow each violated RCW 21.20.140 by offering and/or selling  
6 securities for which no registration is on file with the Securities Administrator.

7 3. Beverly Hills Jewelry and Slotnikow each violated RCW 21.20.010 by making untrue  
8 statements of material fact or omitting to state material facts necessary to make the statements made, in  
9 light of the circumstances in which they were made, not misleading.

10 Based upon the foregoing and finding it in the public interest:

11 **FINAL ORDER**

12 IT IS HEREBY ORDERED that Respondents Beverly Hills Jewelry & Loans, Inc. and Alan Bernard  
13 Slotnikow, and their agents and employees, shall each cease and desist from offering and/or selling  
14 securities in any manner in violation of RCW 21.20.140, the securities registration section of the Securities  
15 Act of Washington.

16 IT IS FURTHER ORDERED that Respondents Beverly Hills Jewelry & Loans, Inc. and Alan Bernard  
17 Slotnikow and their agents and employees, shall each cease and desist from violating RCW 21.20.010, the  
18 anti-fraud section of the Securities Act of Washington.

19 IT IS FURTHER ORDERED that Respondent Alan Bernard Slotnikow shall be liable for and pay a  
20 fine in the amount of \$20,000.

21 IT IS FURTHER ORDERED that Respondent Alan Bernard Slotnikow shall be liable for and pay  
22 costs in the amount of \$5,000.

23 **AUTHORITY AND PROCEDURE**

1 This FINAL ORDER is entered pursuant to the provisions of RCW 21.20.390, and is subject to the  
2 provisions of RCW 21.20.440 and Chapter 34.05 RCW. Respondents have the right to petition the superior  
3 court for judicial review of this agency action under the provisions of Chapter 34.05 RCW. For the  
4 requirements for judicial review, see RCW 34.05.510 and sections following. Pursuant to RCW 21.20.395,  
5 a certified copy of this Order may be filed in Superior Court. If so filed, the clerk shall treat the Order in  
6 the same manner as a Superior Court judgment as to the fine, and the fine may be recorded, enforced, or  
7 satisfied in like manner.

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9 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

10 SIGNED and ENTERED this 2nd day of September, 2020

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15 William M. Beatty  
16 Securities Administrator

17 Approved by:

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20 Suzanne E. Sarason  
21 Chief of Enforcement

22 Presented by:

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24 Reviewed by:

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26 \_\_\_\_\_  
27 Brian J. Guerard  
28 Financial Legal Examiner Supervisor