



State of Wisconsin
Department of Financial Institutions

Tony Evers, **Governor**

Kathy Blumenfeld, **Secretary**

Eric Page Convicted in Securities Fraud Case

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On May 29, 2019, Eric Page, of Converse, Texas, was sentenced to four years in state prison based on a 2013 conviction of seven felony counts of securities fraud and one felony count of theft. At the time of the 2013 conviction, the court withheld sentencing and placed Page on probation for 11 years with the possibility of early discharge if he made full restitution and complied with conditions that he not work with clients, mortgages or in any client advisory role dealing with financial matters.

The 2013 criminal conviction of Page arose out of the investigation of the Division of Securities of the Wisconsin Department of Financial Institutions (the "Division") which entered an Order of Prohibition and Revocation (Summary) against Page on September 22, 2009. According to the Division's 2009 Order, Page offered and sold promissory notes to Wisconsin investors as part of a real estate flipping business, without disclosing to investors the existence of a prior bankruptcy, prior foreclosure actions, and his failure to repay notes to previous investors when due. The promissory notes Page offered and sold to Wisconsin investors were securities under applicable law. The Division's 2009 Order prohibited Page from selling unregistered securities in Wisconsin, and revoked all securities exemptions under Wis. Stat. Ch. 551.

In 2018, while Page was still on probation for the 2013 conviction, the Division investigated new complaints of securities fraud involving Page and a partner, Rachel Connet. The investigation resulted in additional orders issued in 2019 against both Page and Connet in which the Division alleged Page and Connet had offered and sold promissory notes to Wisconsin investors as part of a new real estate flipping venture, without disclosing to investors the existence of the Division's 2009 Order and the 2013 felony convictions and that Page was on probation for securities fraud. The Division ordered Page and Connet to pay \$40,000 in restitution to the investors.

As a result of the Division's new investigation and additional orders issued in 2019, Page's probation was revoked and he was sentenced to four years of prison for the 2013 conviction.

"State regulators have identified a high number of promissory note frauds particularly in the area of real estate investments," said Kathy Blumenfeld, Secretary of the Wisconsin Department of Financial Institutions. "Investors can help protect themselves by taking time to research both the investment product and the person selling it." To inquire about the registration status of your salesperson or the product recommended, investors may call the Division of Securities at (608) 266-2139.

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