

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: WARREN K. STEFFEN, )  
 ) File No. 1000406  
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ORDER OF PROHIBITION

TO THE RESPONDENT: Warren K. Steffen  
500 W. Van Buren Avenue  
Las Vegas, NV 89106

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on December 3, 2010, prohibiting Respondent, Warren K. Steffen, from offering or selling securities in the State of Illinois until further order of the Secretary of State.

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, Respondent, Warren K. Steffen, 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, Warren K. Steffen, is an individual with a last known address of 500 W. Van Buren Avenue, Las Vegas, Nevada 89106;
2. That during the months of June and July, 2010, Respondent Warren K. Steffen offered and sold an investment plan to BS, an Illinois resident, in which Respondent represented that he would invest BS' funds in a gold purchase and reselling enterprise for which BS would receive a return of \$80,000, in which BS invested a total amount of \$4,950;
3. That Respondent Warren K. Steffen promised BS that there would be no risk in this investment;

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4. That on or about July 26, 2010, Respondent Warren K. Steffen represented to BS that she would receive the aforesaid \$80,000 within a week;
5. That BS did not receive the aforesaid \$80,000 within the aforesaid represented time frame and that as of this date, BS has never received any of the aforesaid \$80,000 return as represented and/or promised by Respondent;
6. That Respondent Warren K. Steffen never invested BS funds in the manner so represented, but rather withdrew said funds in cash;
7. That Respondent Warren K. Steffen advised BS that he was offering and selling similar investments to other individuals;
8. That the aforesaid investment plan is an investment contract and therefore a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
9. 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;
10. 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 securities except in accordance with the provisions of the Act;
11. That Section 12.C of the Act provides, inter alia, that it shall be a violation of the Act for any person to act as a dealer or salesperson unless registered as such, where such registration is required;
12. 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 or application required to be filed under the provisions of the Act;
13. That Section 12.G of the Act provides, inter alia, that it shall be a violation of the Act for any person to

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obtain money or property through the sale of securities by means of any untrue statement of 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;

14. That at all times relevant hereto, Respondent Warren K. Steffen failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
15. That at all times relevant hereto, Respondent, Warren K. Steffen failed to file an application for registration as a dealer or salesperson for the sales of securities in the State of Illinois;
16. That at all times relevant hereto, Respondent, Warren K. Steffen acted as a dealer and/or salesperson of securities while not being registered as such;
17. That at all times relevant hereto, Respondent Warren K. Steffen, 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 BS that he was going to invest her money in a gold purchase and reselling enterprise and that BS would receive a return of \$80,000 within a week of a July 26, 2010, conversation with the Respondent, where in fact Respondent did not invest these funds as represented, but rather withdrew said funds in cash and as of this date, BS has never received any return whatsoever regarding her funds;
18. 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:


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1. That by virtue of the foregoing, Respondent Warren K. Steffen has violated Sections 12.A, 12.C, 12.D and 12.G of the Act;
2. That by virtue of the foregoing, Respondent Warren K. Steffen is subject to an Order which permanently prohibits Respondent from offering or selling securities in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent Warren K. Steffen is hereby permanently prohibited from offering or selling securities in the State of Illinois.

ENTERED: This 10<sup>th</sup> day of February, 2011

  
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Jesse White  
Secretary of State  
State of Illinois

JRW

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.

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