

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF:

ANDREA LAKE a/k/a ANDREA ADAMS and) **No 0900435**
NICKY NICHOLAS a/k/a NICK N. ADAMS and)
SILVERNICK, INC. their partners, officers and directors,)
agents, employees, affiliates, successors and assigns.)

ORDER OF PROHIBITION

TO RESPONDENTS: Andrea Lake a/k/a Andrea Adams
204 West Springfield Avenue
Champaign, Illinois 61820

And

Nicky Nicholas a/k/a Nick Adams
2402 Nugent Circle
Urbana, Illinois 61802

And

Silvernick, Inc.
c/o Larry D. Buhrmester
Registered Agent
202 West Springfield Avenue
Champaign, Illinois

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on March 18, 2010 which prohibited Andrea Lake a/k/a Andrea Adams, Nicky Nichols a/k/a Nick Adams and Silvernick, Inc. their partners, officers and directors, agents, employees, affiliates, successors and assigns ("Respondents") from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

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WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent Andrea Lake a/k/a Andrea Adams (at times hereinafter "Andrea" or together with Nick and Silvernick, "Respondents") has a last known address of 204 W. Springfield Avenue, Champaign, Illinois 61820.
2. Respondent Nicky Nicholas a/k/a Nick Adams (at times hereinafter "Nick" or together with Andrea and Silvernick "Respondents"), has a last known address of 2402 Nugent Circle, Urbana, Illinois 61802
3. Respondent Silvernick, Inc. (at times hereinafter "Silvernick" or together with Andrea and Nick "Respondents") is an Illinois corporation with a last known address of: Larry D. B uhrmester, Registered Agent, 202 W. Springfield Av., Champaign, IL 61820.
4. Respondents Nicky Nicholas a/k/a Nick Adams and Andrea Lake a/k/a Andrea Adams are husband and wife and are jointly the controlling owners, and employees of Respondent Silvernick.
5. Respondent Silvernick was purportedly established by Respondents Andrea and Nick to own and operate small restaurants (sandwich and/or hamburger shops).
6. In March 2009 Respondent Andrea offered to an Illinois resident ("Investor #1") the opportunity to invest \$225,000 for the purchase of 12% of the stock in Respondent Silvernick, Inc., and the investment could be paid in installments which were to be completed on or before June 15, 2009.
7. In March of 2009 Investor #1 gave Respondents 6 checks totaling \$24,150 in exchange for the purchase of stock in Silvernick, but was unable to complete the installment payments, and asked for his money back.
8. Respondents failed and refused to return his money.
9. In July 2009 Respondent Nick offered to an Illinois resident (Investor #2) the opportunity to invest \$30,000 in exchange for "30% of the net profits" of Silvernick.

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10. In July of 2009 Investor #2 gave Respondents a check in the amount of \$30,000 for the purchase of 30% of the net profits of Silvernick.
11. At the time of the offer Respondents promised both Investor #1 and Investor #2 that their money would be used to operate sandwich shops.
12. The activities described above in paragraphs 6-7 constitute the offer and sale of a stock and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
13. The activities described above in paragraphs 8-9 constitute the offer and sale of an investment contract and/or a participation in a profit-sharing agreement and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

FRAUD IN SALE OF SECURITIES

14. Instead of using the \$24,150 provided by Investor #1 and the \$30,000 provided by Investor #2 to operate sandwich and/or hamburger shops, as promised, Respondents never operated any shops and instead converted the money to their own use and purposes.
15. Respondents failed and refused to notify the Investors that they were converting their investments to Respondents' own use and benefit, instead of using them for the stated purpose of operating sandwich shops.
16. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof".
17. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading".
18. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to employ any device, scheme or artifice, to defraud in connection with the sale or purchase of any security, directly or indirectly".
19. By virtue of the foregoing, Respondents violated Sections 12.F, 12.G and 12.I of the Act and will violate them again if they make further offers, or if they make any sales of investment contracts or other securities described above in the State of Illinois.

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NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Andrea Lake a/k/a Andrea Adams, Nicky Nichols a/k/a Nick Adams and Silvernick, Inc.** and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from offering or selling securities in or from this State.

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that 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 for each offence.

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 Act (14 Ill. Admin. Code, Ch. 1 Sec. 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.

Dated: This 3^d day of May 2010.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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