

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: LAMBERT CLARK GROUP L.L.C., its  
Officers, Directors, Employees, Partners, Successors, Agents and  
Assigns, and KEVIN JAMES REED individually.

File No. 1000165

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS:

Lambert Clark Group, L.L.C.  
CRD # 144889  
2625 Butterfield Road, Suite 138 South  
Oak Brook, Illinois 60523

Lambert Clark Group, L.L.C.  
c/o Inco Services, Inc., R.A.  
2501 Chatham Road, Suite 110  
Springfield, Illinois 62704

Kevin James Reed  
CRD # 14730957  
1908 Cromwell drive  
Wheaton, Illinois 60187

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

1. That Respondent, Lambert Clark Group, L.L.C., ("Lambert", collectively with Respondent Reed, "Respondents") is a Delaware Limited Liability Company organized to transact business in Illinois, with its principal offices at of 2S676 State Route 59, Unit 2, Warrenville, Illinois 60555, and 2625 Butterfield Road, Suite 138S, Oak Brook, Illinois 60523.
2. That LCG Global Assets Limited, ("LCG") is organized as a Texas, U.S.A. entity in with a registered address of 2610 Allen Street, No. 2506, Dallas Texas 75204, and its Illinois principal office and place of business is located at 2625 Butterfield Road, Oak Brook, Illinois 60523.

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2. That Respondent Kevin James Reed, ("Reed", collectively with Respondent Lambert, "Respondents") is the managing director of Lambert and the managing partner of LCG, both at 2625 Butterfield Road, Suite 1385, Oak Brook, Illinois; Reed resides at 1908 Cromwell Drive, Wheaton, Illinois 60187 (collectively with Respondent Lambert ("Respondents")).
4. That at all relevant times, Respondent Lambert is and was registered with the Secretary of State as an Investment Adviser in the State of Illinois pursuant to Section 8 of the Act.
5. That at all times relevant, Respondent Reed is and was registered as an Investment Adviser Representative of Respondent Lambert, pursuant to Section 8 of the Act.
6. That in October of 2008, Respondents, operating as a Loan Broker in the State of Illinois by and through LCG, offered to procure a loan for a corporate group (the "Borrower") in return for an advance fee of Ten Thousand Dollars (\$10,000.00), which was prepaid by the Borrower.
7. That at all times relevant hereto, LCG, and Respondents Reed and Lambert failed to disclose to Borrower that Lambert and Reed were Registered Investment Adviser and Investment Adviser Representative under the Illinois Securities Law of 1953.
8. That at all times relevant hereto, LCG, and Respondents Lambert and Reed in their Term Letter requested Borrower to wire the advance fee of Ten Thousand Dollars (\$10,000.00) to what they purported to be an LCG bank account, when in fact the routing and account numbers they provided were for a Lambert bank account.
9. That at all relevant times Respondents failed and refused to disclose to Borrower that Borrower's Ten Thousand Dollars (\$10,000.00) deposit, to be used for procuring a loan on behalf of Borrower, was in fact deposited in Lambert's bank account.
10. That Section 12.F of the Act provides, inter alia it shall be a violation of the provisions of this 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."
11. That Section 12.G of the Act, provides, inter alia it shall be a violation of the provisions of this 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 the light of the circumstances under which they were made, not misleading.

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12. That by virtue of the foregoing Respondents violated Sections 12.F and 12.G of the Act.
13. That Section 8.D(2) of the Act, provides, inter alia that an application for registration as an Investment Adviser, executed, verified, or authenticated by or on behalf of the applicant, shall be filed with the Secretary of State in such form as the Secretary of State may by rule or regulation prescribe, setting forth or accompanied by: The education, the business affiliations for the past 10 years, and the present business affiliations of the Investment Adviser and of the adviser's principal, partners, officers, directors, and persons performing similar functions and of any person controlling the Investment Adviser.
14. That Section 130.846 of the Rules and Regulations under the Act provides inter alia, unless otherwise provided in this Section, an investment adviser, registered or required to be registered pursuant to Section 8(D) of the Act, shall, in accordance with the provisions of this Section, furnish each advisory client and prospective advisory client with a written disclosure statement required by 17 CFR 275.204-3 [FORM ADV].
15. That within Respondent Lambert's Part II Schedule F of FINRA Form ADV - Item 7 does indicate other business activities but there is no mention of LCG or that LCG and Respondents Lambert and Reed were acting together as a Loan Broker.
16. That Respondents Lambert and Reed failed and refused, and continue to fail and refuse to report LCG on Lambert's Form ADV, or that they were acting together with LCG as a Loan Broker.
17. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
18. That by virtue of the foregoing, Respondents violated Section 12.D of the Act.
19. That Section 8.E(1)(g) of the Act provides, inter alia, that the registration of an investment adviser, or investment adviser representative may be denied, suspended or revoked if the Secretary of State finds that the, investment adviser, or investment adviser representative or any principal officer, director, partner, member, trustee, manager or any person who performs a similar function of the investment adviser if the person has violated any of the provisions of the Act.
20. That Section 11.F(2) of the Act provides, inter alia, that the Secretary of State may temporarily prohibit or suspend the registration of an investment advisor or investment advisor representative without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the

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Act or to prevent losses to Investors that will occur as a result of prior violations of the Act.

- 21 That the aforementioned findings are based upon credible evidence.
22. That the entry of this Temporary Order suspending Respondent Lambert's Investment Adviser registration and Respondent Reed's Investment Adviser Representative registration, and prohibiting Respondents Lambert and Reed from acting as an Investment Adviser and Investment Adviser Representative in or from the State of Illinois, is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent Lambert is **PROHIBITED** from acting as an investment adviser and Respondent Reed is **PROHIBITED** from acting as an investment adviser representative in or from this State; and Respondent Lambert's registration as an Investment adviser is **SUSPENDED** and Respondent Reed's registration as an Investment Adviser Representative is **SUSPENDED** until further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 31<sup>st</sup> day of March, 2010.



JESSE WHITE  
Secretary of State  
State of Illinois

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Attorney for the Secretary of State:

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