

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

**IN THE MATTER OF: DAL SANTO CAPITAL
MANAGEMENT, LLC; THE LUCID FUND, LLC;
ROBERT DAL SANTO, DAVID DAL SANTO,
and SAMUEL DAL SANTO.**

File No. 0700029

CONSENT ORDER

TO RESPONDENTS: Dal Santo Capital Management, LLC
1899 Deere Lane
Glendale Heights, Illinois 60139

The Lucid Fund, LLC
1899 Deere Lane
Glendale Heights, Illinois 60139

Robert Dal Santo
1061 Boulder Place
Oceanside, California 92057

Samuel Dal Santo
1061 Boulder Place
Oceanside, California 92057

David Dal Santo
1899 Deere Lane
Glendale Heights, Illinois 60139

**TO ATTORNEY FOR
DEFENDANTS
ROBERT AND DAVID
DAL SANTO** Gregg Rzepczynski
Gregg Rzepczynski & Associates Ltd.
175 West Jackson Blvd. Ste. 1650
Chicago, Illinois 60604

**TO ATTORNEY FOR
SAMUEL DAL SANTO** James E Judge
Vanasco Genelly & Miller
33 N. LaSalle St., Suite 2200
Chicago IL 60602

Consent Order

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WHEREAS Respondents Dal Santo Capital Management, LLC; The Lucid Fund, LLC; Robert Dal Santo; David Dal Santo; and Samuel Dal Santo (collectively, "Respondents") each executed a stipulation to enter consent order ("Stipulation") that is incorporated by reference into this Order.

WHEREAS, by means of the Stipulation, each of the Respondents has admitted they were properly served with notice of the hearings scheduled in this proceeding; has admitted the Illinois Secretary of State has personal jurisdiction over him or it; and has admitted the Secretary has jurisdiction over the subject-matter of this proceeding.

WHEREAS, by means of the Stipulation, each of the Respondents has agreed to waive all arguments against the allegations of fact established in the Findings of Fact and Conclusions of Law in this Order, and to waive all affirmative defenses to those facts and conclusions in any collateral proceedings initiated by the Illinois Securities Department; and has agreed to be estopped from denying any of the allegations in the Findings and Conclusions, and to be estopped from asserting any affirmative defenses to the Findings and Conclusions in any collateral proceedings initiated by the Department.

WHEREAS, nothing in the Stipulation or this Order shall restrict any Respondent from taking any factual or legal position in any proceeding not initiated by the Illinois Securities Department.

WHEREAS, by means of the Stipulation, and without admitting or denying all other allegations in the Stipulation and this Order, each of the Respondents admits the following allegations and consents to their adoption as the Secretary's Findings of Fact and Conclusions of Law, and entry of the following terms of this order.

WHEREAS, the Secretary of State finds that: the Secretary has personal jurisdiction over each of the Respondents; the Illinois Securities Department of the Office of the Secretary of State properly served each of the Respondents with the Notice of Hearing in this proceeding dated February 7, 2008, and with notice of all hearings scheduled in this proceeding, in accordance with Section 11.F(1) of the Illinois Securities Law of 1953, as amended ("Act"), and Section 130.1102 of the Rules and Regulations under the Act (14 Ill. Adm Code 130.1102); and the Secretary has jurisdiction over the subject-matter of the allegations in this proceeding, in accordance with Sections 12.G; 11.A(1) and (2); 2.1, 2.5, and 2.5(a); and 11.E(2) and (4) of the Act.

WHEREAS, the Secretary of State makes the following Findings of Fact:

1. Respondent Dal Santo Capital Management, LLC ("Capital Management," or, collectively with The Lucid Fund, LLC; Robert Dal Santo; David Dal Santo; and Samuel Dal Santo, "Respondents"), was a business entity that was organized in Illinois, and whose address was 1899 Deere Lane in Glendale Heights, Illinois.

2. Respondent The Lucid Fund ("Lucid," or, collectively with Dal Santo Capital Management, LLC; Robert Dal Santo; Samuel Dal Santo; and David Dal Santo, "Respondents") was a business entity organized in Illinois and whose address was 1899 Deere Lane in Glendale Heights, Illinois.
3. Lucid was an investment fund that was created, at least in part, for the purpose of deriving profits from online stocks and options trading. Robert's responsibilities in the operation of Lucid included making trades based on a formula he said he created for online trading.
4. Respondent David Dal Santo ("David," or, collectively with Robert Dal Santo; Samuel Dal Santo; Dal Santo Capital Management, LLC; and The Lucid Fund, "Respondents") is an individual whose address was 1899 Deere Lane in Glendale Heights, Illinois. David's responsibilities in the operation of Lucid included participation in determining Lucid's business strategy, accounting, and preparing Lucid investor account statements.
5. Respondent Robert Dal Santo ("Robert," or, collectively with Dal Santo Capital Management, LLC; The Lucid Fund, LLC; David Dal Santo; and Samuel Dal Santo, "Respondents") is an individual whose residence was in Illinois. Robert was the managing member of Dal Santo Capital. Robert's responsibilities in the operation of Lucid included trading on behalf of Lucid based on a formula he created for online trading.
6. Respondent Samuel Dal Santo ("Samuel," or, collectively with Dal Santo Capital Management, LLC; The Lucid Fund; Robert Dal Santo; and David Dal Santo, "Respondents") is an individual whose residence was in Glendale Heights, Illinois. Samuel's responsibilities in the operation of Lucid included sales of the Fund.
7. Investors #1 and #2 (collectively, "investors") were both residents of Illinois.
8. On or around May 3, 2004, Robert and Samuel met with Investor #1 in Illinois, and sold him an investment in Lucid.
9. Robert described Lucid to Illinois Investor #1 as an investment fund that would derive profits from online stocks and options trading, and that the minimum investment required for participating in Lucid was \$100,000.00. Robert told Investor #1 that over the previous four or so years, Robert had successfully made profits by trading stocks and options online, and Lucid would make trades to derive profits based on a formula he had created for online trading.
10. On or around May 3, 2004, Robert and Samuel collected a check from Investor #1 in the amount of \$90,000.00 for an investment in Lucid. At this time, Robert and Samuel also told Illinois Investor #1 that he had to sign an Accredited Investor Certificate that was a part of a larger offering memorandum.

11. On or around May 13, 2004, another check was collected from Illinois Investor #1 for an investment in Lucid in the amount of \$10,000.00.
12. On or around November 22, 2004, Robert met with Investor #2 in Illinois, and sold him an investment in Lucid.
13. Beginning on or around November 22, 2004, Investor #2 gave Robert a total of \$50,000.00 to invest in Lucid, which Robert accepted even though it was below the claimed minimum investment requirement.

Fund Account Statements

14. Within a few months after their investments, Dal Santo Capital began providing Lucid fund account statements to the investors. David prepared the statements.
15. The last statement provided to Investor #1, dated January 31, 2006, stated Investor #1's investment in Lucid had a value of \$122,368.59, for a profit of \$22,368.59.
16. The last statement provided to Investor #2, dated January 31, 2006, stated Investor #2's investment in Lucid had a value of \$52,224.95, for a profit of \$2,224.95.
17. The Respondents sent statements to the investors representing the statements to be true and accurate, when the Respondents knew or should have known that, due to the nature of the investment, they were unaware of the true and accurate profit and loss to Lucid.

Use of Investment Funds

18. Robert told the investors that the monies they gave the Respondents to invest in Lucid would be used to trade stocks and options online based upon the successful formula for trading that Robert had developed over the past four or so years.

Use of Investment Funds

19. The Respondents initially used Investor #1's investment funds totaling \$100,000.00, and Investor # 2's investment funds totaling \$50,000.00 to invest as they had promised. However, the Respondents then elected to change the investment model and applied the funds for a small business venture, rather than as represented by Robert.

Statutes

20. Section 12.G of the Act provides it is 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 the light of the circumstances under which they were made, not misleading.
21. Section 12.H of the Act provides it is a violation of the Act for any person to sign or circulate any statement pertaining to any security knowing or having reasonable grounds to know any material representation in the statement to be false or untrue.

WHEREAS, the Secretary of State makes the following Conclusions of Law:

1. The Secretary of State has personal jurisdiction over each of the Respondents.
2. The Illinois Securities Department of the Office of the Secretary of State properly served each of the Respondents with the Notice of Hearing in this proceeding dated February 7, 2008; with the Amended Notice of Hearing dated March 26, 2009; and with notice of all hearings scheduled in this proceeding, in accordance with Section 11.F(1) of the Illinois Securities Law of 1953, as amended ("Act"), and Section 130.1102 of the Rules and Regulations under the Act (14 Ill. Adm Code 130.1102).
3. The Secretary of State has subject-matter jurisdiction over the the allegations in this proceeding, in accordance with Sections 12.G; 11.A(1) and (2); 2.1, 2.5, and 2.5(a); and 11.E(2) and E(4) of the Act.
4. The conduct of each Respondent described in the Findings of Fact constitutes two violations by each Respondent of Section G of the Act.
5. The conduct of each Respondent described in the Findings of Fact constitutes one violation by each Respondent of Section H of the Act.
6. Because each of the Respondents engaged in three violations of Section 12.G of the Act and one violation of Section 12.H of the Act, they each are subject to the sanctions authorized under Sections 11.E(2) and (4) and 11.F(2) of the Act.

Consent Order

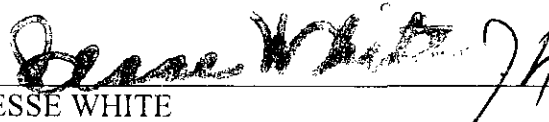
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WHEREAS, the Secretary of State enters the following order:

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Each of the Respondents is publicly censured for engaging in the violations described in this Order of Section 12.G of the Illinois Securities Law of 1953, as amended.
2. Each of the Respondents waives all arguments against the allegations of fact established in the Findings of Fact and all arguments against the Conclusions of Law in this Order, and waives all affirmative defenses to those facts and conclusions in any collateral proceedings initiated by the Illinois Securities Department. Nothing in this Order shall restrict any Respondent from taking any factual or legal position in any proceeding not initiated by the Department.
3. Each of the Respondents is estopped from denying the allegations of fact established in the Findings of Fact and from asserting any arguments against the Conclusions of Law in this Order, and is estopped from asserting any affirmative defenses to those facts and conclusions in any collateral proceedings initiated by the Illinois Securities Department. Nothing in this Order shall restrict any Respondent from taking any factual or legal position in any proceeding not initiated by the Department.

Entered this 30th day of April, 2010.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Bernadette Cole
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Office of the Secretary of State
Illinois Securities Department
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NOTICE TO RESPONDENTS: Failure to comply with the terms of this order shall constitute a violation of Section 12.D of the Illinois Securities Law of 1953. Any person or entity failing to comply with the terms of this order and having knowledge of the existence of this order shall be guilty of a Class 4 felony. 815 ILCS 5/12.D; and 5/14.A.

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This is a final order and is subject to judicial review under the Administrative Review Law, in accordance with Section 11.H of the Illinois Securities Law of 1953, and the Illinois Administrative Code. 735 ILCS 5/3-101 *et seq.*; 815 ILCS 5/11.H; and 14 Ill. Admin. Code 130.1123.

Any action for judicial review of this order must be commenced within 35 days from the date a copy of this order was served by U.S. mail upon the party seeking review, in accordance with Section 103 of the Administrative Review Law. 735 ILCS 5/3-103.