

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF DREWRY CUSTOM HOMES, LLC,)
ITS OFFICERS AND DIRECTORS, MANAGERS, AGENTS,)
EMPLOYEES, AFFILIATES, SUCCESSORS AND)
ASSIGNS, AND RICHARD E. DREWRY, INDIVIDUALLY)

FILE NO 0800390

ORDER OF PROHIBITION

TO RESPONDENTS

Drewry Custom Homes, LLC.
c/o Richard Drewry, Agent/Manager
7475 Clairemont Mesa Blvd , Suite 100A
San Diego, CA 92111

Richard Edwin Drewry
7635 Eads Avenue, unit 208
La Jolla, CA 92037-4377

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on December 4, 2009, temporarily prohibiting Respondents from offering or selling securities in the State of Illinois until further order from the Secretary of State

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 a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final

WHEREAS, 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 Respondents are 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

Order of Prohibition

-2-

- 1 That Respondent Drewry Custom Homes, LLC., involuntarily dissolved on February 24, 2004, was an Illinois Limited Liability Company ("Homes"), that maintained a business address at 21236 Grove Drive, Kildeer, Illinois 60047.
- 2 That Respondent Richard Edwin Drewry, its Manager and Agent, ("Drewry") collectively with Homes (the "Respondents") maintains a residence address at 7635 Eads Avenue, unit 208, La Jolla, CA 92037-4377.
- 3 That on or about February 25, 2002, or thereabouts, Drewry as a representative of Homes approached an Illinois resident ("Investor") and pursued a relationship with him for the purpose of selling the Investor a promissory note ("Note") at the price of \$200,000 (the "Offering")
4. That in exchange for the \$200,000.00, Drewry as the representative of Homes offered the investor the principal back plus interest of 9 38 per cent per annum from February 25, 2002, payable in full on December 31, 2007 (the "Due Date").
5. That subsequent to the foregoing solicitation, the Investor purchased the Offering with the expectation that he would receive a return of 9 38 per cent per annum payable on the Due Date, along with repayment of the principal
- 6 That from December 31, 2007 through the present the Investor requested payment via telephone call and email. Respondent has since the Due Date, through at least February 9, 2009, told the Investor that economic conditions caused the failure to pay and gave various ways he could/would pay in the future, which included a personal undertaking
- 7 That to this date the Investor has not received back the principal or the promised interest on the Note.
- 8 That the activities described in paragraphs 2 through 5 above constitute the offer and sale of a Note 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").
9. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois
10. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois
11. That Section 12 A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.

Order of Prohibition

-3-

- 12 That Section 12.D of the Act provides, inter alia, that it shall be a violation 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
- 13 That Section 12 F of the Act provides that it shall be a violation of the Act to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which work or tends to work a fraud or deceit upon the purchaser
14. That Pursuant to Section 12.G of the Act, it is a violation of the Act 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.
- 15 That Drewry knew or should have known of the risks to the Corporation's obligation to repay the Investor the promised return, but failed and refused to disclose such risks to Investor.

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 Conclusion of Law as follows

Respondents violated Sections 12 A , 12 D , 12 F , and 12 G of the Act

NOW THEREFORE IT IS HEREBY ORDERED. That pursuant to Section 11 F of the Act, Respondents DREWRY CUSTOM HOMES, LLC, ITS OFFICERS AND DIRECTORS, MANAGERS, AGENTS, EMPLOYEES, AFFILIATES, SUCCESSORS AND ASSIGNS, AND RICHARD E DREWRY, INDIVIDUALLY, its Officers, Directors, Employees, Affiliates, Successors, Agents Partners and Assigns, are hereby **PROHIBITED** from offering or selling any securities within the State of Illinois.

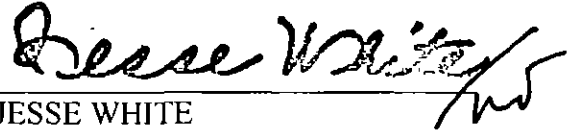
NOTICE Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Act Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony

Order of Prohibition

-4-

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, 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

ENTERED. This 8th day of January, 2010.

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State

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