

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: SENIOR RETIREMENT SERVICES )  
ITS OFFICERS, DIRECTORS, ) File No. 0800514  
EMPLOYEES, AFFILIATES, SUCCESSORS, )  
AGENTS AND ASSIGNS, )  
AND LAVERN P. HUELSMANN )

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ORDER OF PROHIBITION

TO THE RESPONDENTS: Senior Retirement Services  
Lavern P. Huelsmann  
25 West Broadway  
Trenton, Illinois 62293

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 15, 2009, prohibiting Senior Retirement Services, its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, and Lavern P. Huelsmann, 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, Senior Retirement Services, its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, and Lavern P. Huelsmann, have 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, Senior Retirement Services, is a purported business entity with a last known address of 25 West Broadway, Trenton, Illinois 62293;

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2. That at all times relevant, the Respondent Lavern P. Huelsmann, was Officer, Director, Agent or Employee of Senior Retirement Services;
3. That on or about November 6, 2006, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to WS and GS, Illinois residents, a contract agreement in which for a total investment amount of \$146,250, WS and GS would receive a quarterly return of an initial interest rate of 6.28% and a bonus of \$25,000;
4. That on August 17, 2009, pursuant to Section 11.C of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act"), the Illinois Securities Department ("Department") sent an inquiry letter to Respondents requesting information regarding the aforesaid contract agreement, including copies of said contract agreement and any related account statements or records of subsequent payments made to WS and GS by Respondents pursuant to said contract agreement;
5. That in their August 31, 2009, response to said inquiry letter, Respondents failed to provide said copies of said contract agreement and/or related account statements or records of subsequent payments, but rather, referenced two hand written documents which the Respondent represented were "written statements from" and/or "written letter from" WS and GS "pertaining to this question"; said documents were directed to the Department's attorney, were purportedly handwritten and signed by WS and GS, and stated that WS and GS were writing the Department's attorney to help clear up the confusion, that all their finances were in order, and that they do not need any further assistance from the Department;
6. That the Respondents told WS and GS what to write in the aforesaid statements/letters and thereafter represented to the Department that said letters were "from" WS and GS for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close its investigation of Respondents;
7. That during the months of September, October and November, 2008, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees,

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Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to WC, DB, DE, DH, JH, AK, PS, and CW, Illinois residents, a "Cash Management" account agreement in which the Respondents represented that Respondents would invest the funds in the aforesaid accounts to generate a return for the aforesaid investors, and that the investors would receive a return of 12% interest for a 12 month period;

8. That during the month of June, 2009, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to RK, VD and JB, Illinois residents, a "Cash Management" account agreement in which the Respondents represented that Respondents would invest the funds in the aforesaid accounts to generate a return for the aforesaid investors, and that the investors would receive a return of 9% interest for a 36 month period;
9. That on or about August 17, 2009, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to JMK, an Illinois resident, a "Cash Management" account agreement in which the Respondents represented that they would invest JMK's money to generate a return for JMK, and that JMK would receive a return of 8% interest for a 36 month period;
10. That on or about January 13, 2009, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to MR, an Illinois resident, a "Cash Management" account agreement in which the Respondents represented that they would invest MR's money to generate a return for MR, and that MR would receive a return of 9% interest for a 12 month period;
11. That at all times relevant, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, did not invest the funds in the aforesaid Cash Management accounts to generate a return for the aforementioned investors, but rather used said funds for their own personal use, including, but not limited to, investing and participating in a day trading account that was in

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Respondents' own name, paying for Respondents' business expenses, paying for Respondents' personal expenses, and/or participating in river boat and casino gambling activities;

12. That at all times relevant, neither Senior Retirement Services, nor Lavern P. Huelsmann were registered as a dealer or salesperson of securities in the State of Illinois;
13. That the aforesaid contract agreement and the aforesaid cash management account agreements are investment contracts and therefore, each is 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");
14. 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;
15. 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;
16. 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;
17. 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;
18. That Section 12.E of the Act provides, inter alia, that it shall be a violation of the Act for any person to make, or cause to be made in any application, report or document filed under this Act, any statement which was false or misleading with respect to any material fact;
19. That 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

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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;

20. That 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 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. That 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;
22. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, 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;
23. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, failed to file an application for registration as a dealer or salesperson for the sales of securities in the State of Illinois;
24. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, acted as a dealer and/or salesperson of securities while not being registered as such;
25. That at all times relevant, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, failed to provide documents specifically requested in the Department's inquiry letter, including, but not limited to, a copy of the contract agreement between Respondents and WS

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and GS and/or related account statements or records of subsequent payments;

26. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, made, or caused to be made, in a document filed under the Act, a statement which was false and/or misleading with respect to any material fact, in that Respondents filed a response to the Department's inquiry letter which contained statements that Respondents represented were written to the Department from WS and GS and were held out by Respondents to be documents written and composed solely and personally by WS and GS, while in fact Respondents dictated and told WS and GS what to write in said statements for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close its investigation of Respondents;
27. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, engaged in a transaction, practice or course of business in connection with the sale or purchase of securities that worked or tended to work a fraud or deceit upon the purchaser thereof by representing to investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;
28. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, 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 investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited

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to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;

29. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, employed a device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly, in that in that Respondents filed a response to the Department's inquiry letter which contained statements that Respondents represented were written to the Department from WS and GS and were held out by Respondents to be documents written and composed solely and personally by WS and GS, while in fact Respondents dictated and told WS and GS what to write in said statements for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close its investigation of Respondents; furthermore, Respondents represented to investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;
30. 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:

31. That by virtue of the foregoing, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, have violated Sections 12.A, 12.C, 12.D, 12.E, 12.F, 12.G and 12.I of the Act;


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1. That by virtue of the foregoing, the Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, are subject, pursuant to Section 11.F of the Act, to an Order which permanently prohibits Respondents 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, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, are hereby prohibited from offering or selling securities in the State of Illinois until further order of the Secretary of State.

ENTERED: This 17<sup>th</sup> day of November, 2009

  
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Jesse White  
Secretary of State  
State of Illinois

*DJP*

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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