

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: DREWRY CUSTOM HOMES, LLC. )  
ITS OFFICERS AND DIRECTORS, MANAGERS, AGENTS, )  
EMPLOYEES, AFFILIATES, SUCCESSORS AND )  
ASSIGNS, AND RICHARD E. DREWRY, INDIVIDUALLY )  
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FILE NO 0800390

TEMPORARY 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

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 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.

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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.
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.

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- 13 That by virtue of the foregoing, Respondents have violated Sections 12 A and 12 D of the Act, and Respondents will violate the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois
14. 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.
- 15 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.
- 16 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.
17. That by virtue of the foregoing, Respondents have violated Sections 12.F and 12 G of the Act, and Respondents will violate the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois
- 18 That the aforementioned findings are based upon credible evidence.
- 19 That Section 11 F(2) of the Act provides, inter alia, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to Investors that will occur as a result of prior violations of the Act
- 20 That the entry of this Temporary Order prohibiting Respondents Drewry Custom Homes, LLC and Richard Edwin Drewry, or their officers, directors, managers, agents, affiliates, and employees, from offering or selling the above-referenced securities in 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, Respondents are prohibited from offering or selling securities in or from this State 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


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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 4<sup>th</sup> day of December, 2009

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State

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