

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

_____)
**IN THE MATTER OF: Ralph W. Russell, individually, and dba RWR)
Capital Partners, LLC, and dba RWR Capital Management, LLC;)
RWR Capital Partners, LLC; and RWR Capital Management, LLC,)**
_____)

0700041

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENT:

Ralph W. Russell
2487 Legacy Drive
Aurora, IL 60504

RWR Capital Partners, LLC
47 E. Chicago Ave., Suite 336
Naperville, IL 60540

RWR Capital Management, LLC
47 E. Chicago Ave., Suite 336
Naperville, IL 60540

RWR Capital Management, LLC
55 S. Main St., Suite 339B
Naperville, IL 60583

RWR Capital Management, LLC
RWR Capital Partners, LLC
C/o Ralph W. Russell
2487 Legacy Drive
Aurora, IL 60504

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 Ralph W. Russell ("Respondent Russell" or collectively with Respondents RWRCapP and RWRCapM, "Respondents") is an individual doing business in the State of Illinois, among other things, as the portfolio manager of his investment fund RWRCapP, and as manager for his Investment Adviser firm, RWRCapM.

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2. That RWR Capital Partners, LLC (“Respondent RWRCapP” or collectively with Respondents Russell, and RWRCapM, “Respondents”) is an Illinois business entity organized on July 14, 2004, and engaged in the business of buying and selling securities for investment and issuing shares to investors. Respondent RWRCapM, commencing September 21, 2004, was its manager. Respondent Russell has continued to manage it since its involuntary dissolution as an LLC on December 28, 2005.
3. That RWR Capital Management, LLC (“Respondent RWRCapM” or collectively with Respondents Russell and RWRCapP, “Respondents”) is an Illinois business entity organized on September 13, 2004, and engaged in the business of providing investment advisory services in the State of Illinois. Respondent Russell was, and after its involuntary dissolution as an LLC on February 28, 2006 continues to be, its manager.
4. That between April 1, 1987 and September 23, 2004, Respondent Russell was registered as a salesperson in the State of Illinois.
5. That between August 1, 2002 and September 23, 2004, Respondent Russell was registered as an investment adviser in the State of Illinois.
6. That on November 10, 2005, The Secretary of State entered Consent Order of Revocation (retroactively) against Respondent Russell’s registrations as salesperson and investment adviser in the State of Illinois, pursuant to Section 8.E(1)(j) of the Act, on the Notice of Hearing dated August 18, 2004 in Casefile 0400304.
7. That around November 10, 2005 Dan Tunick, the Department’s attorney in Casefile 0400304, informed Respondent Russell, by means of Respondent Russell’s attorney, that he was required to remove any language from his website (the “Website”) that implied he sold securities, made recommendations for investment and/or was an investment adviser.
8. That on April 11, 2006, Respondent Russell’s Website, advertised, among other things, “RWR Capital Management LLC operates in a few distinct capacities. RWR Capital Partners, LLC is the hedge fund operated by Ralph Russell. This Fund is open only to accredited investors. RWR Capital Management LLC offers life insurance, estate planning and Market index and Fixed annuity solutions to all investors.”
9. That on April 11, 2006, Respondent Russell’s Website did not contain language declaring that Respondent Russell’s offer to invest in a Fund, “open only to accredited investors,” was void in the State of Illinois; or that RWRCapM’s offer of “Market index” solutions “to all investors” was void in the State of Illinois, each therefore constitutes a general solicitation in this State.
10. That around April 11, 2006, being notified by the Department’s examiner Lynne Bednarko that Respondent Russell continued to hold out as an investment adviser on his Website, Dan Tunick communicated directly with Respondent Russell, instructing him that when he ceased to be registered in this State he was required to remove language

from his Website that implied he sold securities, made recommendations for investment and/or was an investment adviser. Respondent Russell agreed to remove such language.

11. That notwithstanding Respondent Russell's assurances, on October 1, 2007, Respondent Russell's Website continued to advertise Russell's services, stating on its home page "Investment Advice That's Right On The Money!" -- under "Services," that Respondent Russell's services include, "Mutual Fund/Stock Recommendations" and "innovative investment programs," -- and under "Contact" inviting Illinois residents and others to, "contact me to arrange a time to talk with you about your investment goals and options."
12. That on October 1, 2007, Respondent Russell's Website did not contain language that its offer of "Investment Advice That's Right On The Money!" -- "Mutual Fund/Stock Recommendations" and "innovative investment programs," -- and invitation to, "contact me to arrange a time to talk with you about your investment goals and options," were void in the State of Illinois, each therefore constitutes a general solicitation in the State of Illinois.
13. That between September 23, 2004 and the present, Respondents Russell and RWRCapM opened discretionary accounts for one or more residents of the State of Illinois, to be their investment adviser.
14. That between September 23, 2004 and the present, Respondents Russell and RWRCapM offered and sold investment fund shares issued by RWRCapP to one or more of their clients who are residents of the State of Illinois.
15. That Section 5 of the Act provides, *inter alia*, that all securities except those set forth under Section 2a of this Act, or those exempt under Section 3 of this Act or those offered or sold in transactions exempt under Section 4 of this Act, or face amount certificates required to be registered under Section 6 of this Act, or investment fund shares required to be registered under Section 7 of this Act, shall be registered either by coordination or by qualification, prior to their offer or sale in this State.
16. That Section 7 of the Act provides, *inter alia*, that all investment fund shares except those set forth under Section 2a of the Act, or those exempt under Section 3 of the Act or those offered or sold in transactions exempt under Section 4 of the Act, or face amount certificates required to be registered under Section 6 of the Act, shall be registered either by coordination or by qualification, prior to their offer or sale in the State of Illinois.
17. That the activities set forth in paragraphs 8 through 12 and 14 above constitute the offer and sale of investment fund shares issued by RWRCapP, and therefore a security as those terms are defined at Sec 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 (815 ILCS 5) (the "Act").
18. That the investment fund shares issued by RWRCapP were not and are not registered under Section 5 or Section 7 of the Act, and there are also no filings under Section 2a or Section 6 of the Act.

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19. That Section 8.A of the Act provides, *inter alia*, that except as otherwise provided in this subsection A, every investment adviser and investment adviser representative shall be registered as such with the Secretary of State.
20. That the activities set forth in paragraphs 8 through 13 above constitute offering and engaging in the business of rendering investment advice by Respondents Russell and RWRCapM, as those terms are defined at Sec 2.11, 2.12b, 2.5, and 2.5a of the Illinois Securities Law of 1953 (815 ILCS 5) (the "Act").
21. That since September 23, 2004, Respondents Russell and RWRCapM were not and are not registered as investment advisers or investment adviser representatives in the State of Illinois.
22. That Section 12.A of the Act provides, *inter alia*, it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
23. That Section 12.D of the Act provides, *inter alia*, it shall be a violation of the provisions of this Act for any person to fail to file any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act.
24. That by virtue of the offering and selling unregistered investment fund shares issued by RWRCapP, Respondents Russell, RWRCapM, and RWRCapP violated Sections 12.A and 12.D of the Act.
25. That by virtue of engaging in the business of rendering investment advice without registration, Respondents Russell and RWRCapM violated Sections 12.A and 12.D of the Act.
26. 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, and may temporarily prohibit the business of rendering investment advice 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.

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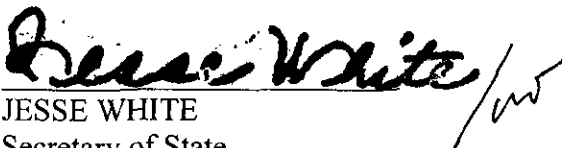
27. That the entry of this Temporary Order prohibiting Respondents Ralph Russell, RWRCapM, RWRCapI and RWRCapP, from offering or selling securities in the State of Illinois, and prohibiting Respondents Ralph Russell, and RWRCapM from engaging in the business of rendering investment advice in the State 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 Ralph W. Russell, RWR Capital Management LLC, and RWR Capital Partners LLC his/their managers, officers and directors, agents, employees, affiliates, representatives, successors and assigns are **PROHIBITED** from offering or selling securities in or from this State; and Respondents Ralph W. Russell, and RWR Capital Management LLC are **PROHIBITED** from in engaging in the business of rendering investment advice in or from this State, until the further Order of the Secretary of State.

NOTICE is hereby given that Respondent 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.

Dated: This 16th day of October 2007.


JESSE WHITE
Secretary of State
State of Illinois

Daniel Tunick
Cheryl Goss Weiss
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
312-793-3384