

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: RICHUM CORPORATION )  
(a/k/a THE RICHUM GROUP) )  
and DOUGLAS ERICKSON, their ) NO. 0500241  
partners, officers and directors, )  
agents, employees, affiliates, )  
successors and assigns. )

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TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS: RICHUM CORPORATION  
6829 Big Creek Drive  
House Springs, Missouri 63051

And

RICHUM CORPORATION  
106 West Vine  
Martinsville, Illinois 62442

And

RICHUM CORPORATION  
3343 South Michigan Avenue  
Chicago, Illinois 60616

And

DOUGLAS ERICKSON  
106 West Vine  
Martinsville, Illinois 62442

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:

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1. Douglas Erickson (hereinafter "Erickson") has a last known address of 106 West Vine, Martinsville, Illinois 62442.
2. Richum Corporation (a/k/a The Richum Group)(hereinafter "Richum" and collectively with Erickson "Respondents") has last known addresses of 6829 Big Creek Drive, House Springs, Missouri 63051 and 106 West Vine, Martinsville, Illinois 62442 and 3343 South Michigan Avenue, Chicago, Illinois 60616
3. At all times relevant to this Temporary Order of Prohibition, Erickson was a Director and Executive Vice President of Richum with authority to enter agreements and act on behalf of Richum.
4. On December 8, 2003 Respondents entered an investment contract entitled "Assignment of Escrow Funds" with an Investor in which the Investor placed \$300,000 into an account with Respondents.
5. The "Assignment of Escrow Funds" provided that the Investor was to be repaid the \$300,000 plus an additional \$300,000 as a "premium" if the Respondents were able to close a pending loan agreement with a third party.
6. If Respondents were unable to close the pending loan transaction the Investor was to receive the return of the \$300,000.
7. The loan did not close, but Respondents failed to refund the \$300,000.
8. Respondents failed to disclose to Investor any risks involved in the Assignment of Escrow Funds contract that could prevent repayment of the \$300,000.
9. To date, Investor has not received any payment from Respondents that is owed to him as a result of the Assignment of Escrow Funds transaction he entered into with Respondents on December 8, 2003.
10. Respondents' activities described above involve the offer and sale of an investment contract or note 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").

**FRAUD AND DECEIT/MISREPRESENTATIONS AND OMISSIONS**

11. 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 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.

12. 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 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.
13. By virtue of the foregoing, Respondents violated Sections 12.G and 12.F of the Act.

**FAILURE TO FILE DOCUMENTS REQUIRED TO BE FILED**

14. On June 13, 2007, Erickson was served with a Subpoena Ad Testificandum issued by the Secretary of State, Illinois Securities Department (hereinafter the "Department").
15. The Subpoena Ad Testificandum served on Erickson required him to appear for a sworn statement on June 28, 2007, and to produce to the Department documents and papers, which the Department deemed relevant and material to its investigation.
16. Pursuant to Erickson's request the sworn statement was continued from June 28, 2007 to July 26, 2007.
17. Erickson failed to appear for testimony on July 26, 2007 and to date, Erickson has not provided any documentation to the Department.
18. Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, ("the Act") provides, *inter alia*, that it shall be a violation of the Act to fail to file with the Secretary of State 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 the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
19. By virtue of the foregoing, Respondents violated 12.D of the Act.
20. Section 11.F(2) of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, ("the Act") provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend for a maximum period of 90 days, by an order effective immediately, the offer or sale of securities by any person, if the Secretary of State shall in his or her opinion, based on credible evidence, deem it necessary to prevent an imminent violation of this Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of this Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Douglas Erickson** and **Richum Corporation**, their partners, officers and directors, agents, employees, affiliates, successors and assigns are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

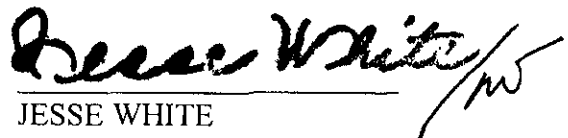
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NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be 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 22nd day of October 2007

Handwritten signature of Jesse White in black ink, with a horizontal line underneath and a large flourish to the right.

JESSE WHITE  
Secretary of State  
State of Illinois

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Enforcement Attorney  
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