

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

**IN THE MATTER OF: CWS INVESTMENTS, >  
its Partners, Members, Officers, Directors, Agents, Employees,  
Affiliates, Successors and Assigns; and  
Directors, Agents, Employees, Affiliates, Successors**

**FILE NO. 1200544**

**NOTICE OF HEARING**

**TO THE RESPONDENT:**

**CWS INVESTMENTS (CRD# 23551)  
Attn: Steven J. Sherwood, PRES/SEC/SFO/CCO/AMLCO  
14 Corporate Plaza, Suite 210  
Newport Beach, California 92660**

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 9th day of July, 2013 at the hour of 10:00 a.m. or as soon as possible thereafter, before James Kopecky Esq., or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered which would deny CWS Investments' application for registration as a dealer in the State of Illinois and/or granting such other relief as may be authorized under the Act, including but not limited to, the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows

1. CWS Investments (hereinafter, Respondent "CWS") is a corporation which engages in the business of acting as a dealer registered to offer and sell securities to the general public.
2. That on December 20, 2012, Respondent CWS filed a Form BD application for registration as a dealer in the State of Illinois.
3. That Respondent CWS answered in the affirmative to Question 4B of the above-referenced December 20, 2012 BD Form that it had engaged in the offer or sale of securities to Illinois residents.

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4. That between June 4, 2007 and December 31, 2012, Respondent CWS effected an aggregate of six (6) purchase transactions in the accounts of four (4) Illinois residents.
5. That Section 8.A of the Act provides, in pertinent part, except as otherwise provided, every dealer shall be registered as such with the Secretary of State.
6. That the activity set forth in the above paragraphs constitutes the activities of a dealer as defined in Section 2.7 of the Act.
7. That during all relevant times, Respondent CWS was not registered with the Secretary of State as a dealer pursuant to Section 8 of the Act.
8. That Respondent CWS also had not filed a report of sales made in reliance on the exemption in Section 4.G of the Act.
9. That Section 4.G(4) of the Act provides, inter alia, that it shall be a violation of Section 12.D of the Act to fail to file any such report or reports of sales made in reliance upon the exemption provided by Section 4.G of the Act.
10. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in accordance with the provisions of the Act.
11. 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.
12. That Respondent has committed violations of Section 12.A and 12.D of the Act.
13. That Section 8.E(1)(g) of the Act provides that the registration of a dealer may be denied if it has violated any of the provisions of this Act.
14. By virtue of the foregoing, the Respondent CWS's application for registration as a dealer in the State of Illinois is subject to denial pursuant to Section 8.E(1)(g) of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

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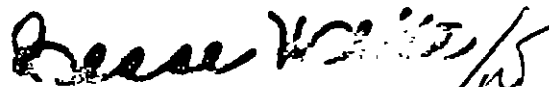
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Furthermore, you may be requested by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated This 16th day of May 2013.



JESSE WHITE  
Secretary of State  
State of Illinois

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