

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

_____)
IN THE MATTER OF: ESTATE MANAGEMENT SERVICES, INC.)
A/K/A EMS, ITS OFFICERS,) File No. 04000756
DIRECTORS, EMPLOYEE, AFFILIATES,)
SUCCESSORS, AGENTS AND ASSIGNS,)
DANIEL GEORGE PETRILLI)
_____)

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENT: Estate Management Services, Inc.
A/K/A EMS
Daniel George Petrilli
60 Providence Lane
Springfield, Illinois 62707

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, having been fully advised in the premises by the staff of the Illinois Securities Department, Office of the Secretary of State, herein find:

1. Estate Management Services, Inc. is an Illinois corporation incorporated December 26, 1997 and involuntarily dissolved by the Illinois Secretary of State on May 1, 2003 with a last known business address of 60 Providence Lane Springfield, Illinois;
2. At all times relevant, Daniel George Petrilli ("Petrilli") was the President and Registered Agent of Estate Management Services Inc.;
3. Estate Management Services, Inc. was purportedly in the business of providing estate planning to clients and the sale of insurance products consisting mainly of Life Insurance, Annuities, and Long Term Care Insurance;
4. At all times relevant, Estate Management Services, Inc. was not registered with the Secretary of State, Illinois Securities Department (the "Department") in any capacity;

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5. That Petrilli was registered as a securities salesperson in Illinois from August 12, 1992 through February 12, 1996;
6. On April 10, 1998, pursuant to an April 8, 1998 signed stipulation by Petrilli, the Illinois Secretary of State, Securities Department, entered a permanent order of prohibition against Petrilli prohibiting him from offering or selling securities (See Exhibit A);
7. On or about April 1, 2003, Petrilli met with Illinois resident W.H. and recommended to him that he rollover through an investment transaction approximately \$300,000 in funds from the liquidation of a financial product issued by an insurance company into an IRA [Individual Retirement Account] for investment and tax planning purposes;
8. Based upon this recommendation, on April 1, 2003, W.H. wrote a check payable to the order of: "EMS F/B/O HELM NQ IRA" in the amount of \$301,584.37. The memo line for the check states: "IRA (NQ) Rollover." This check was endorsed on the back "For Deposit Only Estate Management Services, Inc." and was deposited into a bank account in the name of Estate Management Services, Inc.;
9. On or about July 21, 2004, W.H. met with Petrilli at the office of W.H.'s attorney. At this meeting W.H. and his attorney requested documentation from Petrilli regarding the transaction described in paragraphs 7 and 8 above and an accounting for the \$301,584.37 check. Petrilli stated at this meeting that the \$301,584.57 had been invested in the "Cypress Equipment Fund II, Ltd."
10. The Cypress Equipment Fund II, Ltd. was registered as a security with the Department from March 20, 1992 through March 20, 1994.
11. The following checks from Illinois resident N.L. were endorsed: "For Deposit Only Estate Management Services, Inc." and were deposited into a bank account in the name of Estate Management Services, Inc.:
 - a. A check in the amount of \$200,000 dated January 27, 2004 pay to the order of "EMS FBO N. Lach Rollover" with a memo line stating "Roth Rollover";

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- b. A check in the amount of \$12,627 dated September 15, 2004 pay to the order of "E.M.S. FBO N. Lach Rollover IRA" with a memo line stating "Allianz";
 - c. A check in the amount of \$17,395.88 dated October 29, 2004 pay to the order of "E.M.S. FBO Nancy Lach Account" with a memo line stating "Rollover Roth IRA"; and
 - d. A check in the amount of \$77,149.55 dated November 5, 2004 pay to the order of "EMS-FBO Nancy Lach Account" with a memo line stating "Roll over Roth IRA".
- 12. That the above-referenced Cypress Equipment Fund II, Ltd. and transactions described in Paragraph 11 above are securities 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");
 - 13. On August 5, 2004, the Department served upon Petrilli a subpoena for records of Estate Management Services, Inc. that asked for production of Financial Records including financial statements and bank records and Documents showing the products or services provided by Estate Management Services, Inc.;
 - 14. On September 24, 2004, Petrilli produced 3 "Banker's" boxes of documents that he stated were responsive to the above-referenced subpoena. None of the produced records included documents from the transactions of J.H. and N.L during the time period of April 2003 to the date of the production response;
 - 15. From the above referenced transactions in paragraphs 8 and 11, approximately \$608,000 was deposited into the Estate Management Services, Inc. bank account. None of these funds were invested in the Cypress Equipment Fund II Ltd., and most of the investors' money was used to pay back other previous investors;
 - 16. That Section 5 of the Act provides, inter alia, that all securities except all those set forth under Section 2.A of the Act, or 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;

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17. 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;
18. 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 provision of the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 of the Act;
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 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 by virtue of the foregoing, Daniel George Petrilli and Estate Management Services, Inc. A/K/A EMS, its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns have violated Sections 12.A, 12.D and 12.F of the Act;
21. That Section 11.F.(2) of the Act provides, inter alia, that the Secretary of State may temporarily suspend or prohibit the offer or sale of securities by any person if the Secretary of State in his or her opinion, based upon credible evidence, deems it necessary to prevent an imminent violation of the Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
22. That based upon the foregoing, the Secretary of State deems it necessary, in order to prevent imminent and additional violations of the Act, and to prevent losses to investors as a result of the referenced prior violation of the Act, to enter an order pursuant to the authority granted under Section 11.F of the Act which prohibits Daniel George Petrilli and Estate Management Services, Inc. A/K/A EMS its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns from offering and/or selling securities in the State of Illinois; and
23. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order

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is in the public interest and is consistent with the purposes of the Act.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Daniel George Petrilli and Estate Managements Services, Inc., A/K/A EMS its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns are hereby PROHIBITED from offering and/or selling securities in or from the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondent may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 W. Jefferson St., Suite 300A, Springfield, Illinois 62702. Such request must be made within thirty (30) days of the date of entry of this Temporary Order. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for ninety days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS TEMPORARY ORDER SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE TEMPORARY ORDER FINAL.

ENTERED: This 17th day of December, 2004

Jesse White DF

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
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