

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

\_\_\_\_\_  
IN THE MATTER OF: LUCITA ZAMORAS  
\_\_\_\_\_

)  
)  
)  
File No. C1800221

NOTICE OF HEARING

**TO THE RESPONDENTS:** Lucita Zamoras  
24. S Aberdeen St.  
Unit 2S  
Chicago, Illinois 60607-2545

You are hereby notified that pursuant to §11(F)(1) 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 April 8, 2019, at the hour of 10:00 a.m. or as soon as possible thereafter, before James Kopecky 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 prohibiting Lucita Zamoras from offering, advising the sale of, and selling securities 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 §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:

BACKGROUND FACTS

1. Respondent Lucita Zamoras is, or was, the owner of Cornerstone Home Solutions, ("Company"), a Corporation with a last known address of 24 South Aberdeen Street, Unit 2S, Chicago, Illinois 60607-2545. Respondent's last known address is 24 South Aberdeen Street, Unit 2S, Chicago, Illinois 60607-2545.
2. On or around March 30, 2015, Investor ZB ("ZB"), upon solicitation from Respondent, wrote a check payable to Cornerstone Home Solutions for the amount of \$344,000.
3. On March 10, 2015, ZB was issued a promissory note from Cornerstone Home Solutions promising to pay ZB back the entire principal of \$344,000 in addition to 10% annual interest. The note was to come due on April 30, 2025.

Notice of Hearing

-2-

4. The conduct of Respondent constitutes the sale of securities by a dealer as those terms are defined in 815 ILCS 5/2.1, 2.5, 2.7 of the Illinois Securities Act of 1953 ("the Act").

**COUNT I**

**SCHEME TO DEFRAUD**

5. An additional term of the Note required that any interest earned on the Note would be used to pay for interest owed on a loan that ZB took out against an Allianz life insurance policy that ZB owned.
6. Respondent, on at least one occasion, in 2018, did not pay the annual interest owed on the Allianz life insurance policy and allowed \$37,324.99 to accumulate to ZB's Allianz loan balance.
7. §12(I) of the Act prohibits the employing of any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.
8. Not paying ZB's insurance premiums with the annual interest owed on the first promissory note constitutes a scheme to defraud ZB of the use of note proceeds that ZB was promised.
9. By virtue of the foregoing, Respondent has violated §12(I) of the Act.

**COUNTS II, III, and IV**

**FAILURE TO REGISTER AS A SECURITIES DEALER**

10. The Illinois Securities Department for the Secretary of State has checked its records and has not found any record of Respondent registering as a Securities Dealer prior to her selling ZB the promissory note.
11. §8(A) of the Act requires, *inter alia*, that every dealer shall be registered as such with the Secretary of State.
12. §12(C) of the Act makes it a violation to, *inter alia*, act as a dealer unless registered as such where such registration is required.
13. §12(D) of the Act makes it a violation to, *inter alia*, fail to file with the Secretary of State any application required to be filed under the provisions of this Act.
14. §12(A) of the Act prohibits the offering or selling of any security except in accordance with the provisions of the Act.
15. By virtue of the foregoing, Respondent has violated §§12(A), (C), (D) of the Act.

You are further notified that you are required, pursuant to §130.1104(a) of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined

Notice of Hearing

-3-

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.

Furthermore, you may be represented 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 are available at the Department's website: <http://www.cyberdriveillinois.com/departments/securities/abtil.html>.

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

Dated: This 15<sup>th</sup> day of February 2019.



JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
Mitchell R. Paglia  
Enforcement Attorney  
Office of the Secretary of State  
Illinois Securities Department  
69 West Washington Street, Suite 1220  
Chicago, Illinois 60602  
Telephone: (312)793-9651

Hearing Officer:  
James L. Kopecky  
120 N. LaSalle Street, Suite 2000  
Chicago, Illinois 60602  
Telephone: (312) 380-6552