

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

**IN THE MATTER OF: WEALTHBUILDERS.NAME, LLC
and JOHN LEE HUFFMAN**

FILE NO. C1500560

ORDER OF PROHIBITION

TO THE RESPONDENTS:

WEALTHBUILDERS.NAME, LLC
4385 Black River Road
Dalzell, SC 29040

WEALTHBUILDERS.NAME, LLC
P. O. Box 246
Dalzell, SC 29040

JOHN LEE HUFFMAN
4385 Black River Road
Dalzell, SC 29040

JOHN LEE HUFFMAN
P. O. Box 246
Dalzell, SC 29040

WHEREAS, the above-captioned matter came to be heard on September 26, 2018 and December 11, 2018, pursuant to the Amended Notice of Hearing dated August 7, 2018, filed by the Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, George F. Berbas, in the above-captioned matter have been read and examined.

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WHEREAS, the proposed Findings of Fact of the Hearing Officer concerning Respondents WealthBuilders.Name LLC and John Lee Huffman are correct in part and incorrect in part and are hereby adopted, as modified, as the Findings of Fact of the Secretary of State:

1. Respondent, WealthBuilders.Name LLC (hereinafter "WealthBuilders.Name" or collectively with Huffman "Respondents") has a last known address of 4385 Black River Road, Dalzell, South Carolina 29040.
2. Respondent, John Lee Huffman, (hereinafter "Huffman" or collectively with (WealthBuilders.Name LLC "Respondents") is the CEO/Founder of Respondent WealthBuilders.Name and has a last known address 4385 Black River Road, Dalzell, South Carolina 29040.
3. At all times relevant herein, Respondent Hoffman was a control person of Respondent WealthBuilders.Name.
4. At all times relevant herein, Respondent WealthBuilders.Name had an online address of <http://wealthbuilders.name/>.
5. Investor EP (hereinafter "Complainant") is an Illinois resident.
6. In 2015, Respondent Hoffman on behalf of Respondent WealthBuilders.Name solicited Complainant to invest with Respondents.
7. Respondent WealthBuilders.Name offered Complainant an opportunity to invest in a Residual Income Fortune Matrix whereby Complainant would receive checks base upon her position and the monthly sales from the matrix sales force, if complainant joined Respondent's membership.
8. After multiple discussions with Respondent Hoffman, Complainant purchased a membership in Respondent WealthBuilders.Name.
9. On or about February 16, 2015, Complainant mailed to Respondents a money order, made payable to Respondent WealthBuilders.Name in the amount of \$300.00 in exchange for two positions in a "3x5 matrix".
10. Respondent Hoffman told Complainant that commissions would be paid once Respondents placed three members under Complainant's position on the matrix.
11. Shortly thereafter, Complainant mailed to Respondents an additional money order, made payable to Respondent John Hoffman in the amount of \$45.00 in exchange for one position in Bitcoins.

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12. On October 1, 2015, after not receiving any return on the investments, Complainant sent an email to Respondent Hoffman asking for a refund of the monies invested with Respondents.
13. On October 1, 2015, Respondent Huffman sent email to Complainant stating “[w]e will place your name on the refund list and refund you accordingly.”
14. On October 2, 2015, Respondent Huffman sent a second email to Complainant stating that Respondent has a “No Refund Policy but still allow member’s (sic) to receive their refunds.” Respondents also informed Complainant that a refund will be issued when “member’s positions matures” or “if a person just making a purchase within a few weeks to 30 days request a refund.”
15. As of September 26, 2018, Complainant had not received a refund of the funds invested.

WHEREAS, the Secretary of State finds the proposed Conclusions of Law of the Hearing Officer to be correct and are hereby adopts them as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondents.
2. The Notice of Hearing included the information required under Section 1102 of the Code.
3. The Secretary of State has jurisdiction over the subject matter pursuant to the Act.
4. Because Respondents WealthBuilders.Name LLC and John Lee Huffman failed to appear at the time and place set for hearing, in accordance with Section 1109, they:
 - (a) waived their right to present evidence, argue, object or cross-examine witnesses; or
 - (b) otherwise participate at the hearing.
5. The investment contract of Respondent WealthBuilders.Name LLC constitutes securities as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Act.
6. The activities described above and in the Proposed Findings of Fact constitute the offer and sale of securities, as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*

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7. Section 12.A of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (the "Act") states that 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."
8. Section 5 of the Act provides, *inter alia*, that all securities except 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.
9. Section 12.D of 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 of the Act.
10. Respondents failed to file an application for registration of the above-referenced securities with the Secretary of State and as a result, the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
11. Section 12.F of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions 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."
12. Section 12.G of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions 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 light of the circumstances under which they were made, not misleading."
13. Section 12.I of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
14. That by virtue of the foregoing, the Respondents have committed a violation of Sections 12.A, 12.D, 12.F, 12.G, and 12.I of the Act.

WHEREAS, the Hearing Officer recommended that:

1. An Order be entered against John Lee Huffman and WealthBuilders.Name LLC, and their partners, officers, directors, agents, employees, affiliates, successors,

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and assigns, prohibiting them from offering, and/or selling securities in the State of Illinois.

3. An Order be entered fining Respondents John Lee Huffman and WealthBuilders.Name LLC each \$10,000.00.

WHEREAS, the Hearing Officer found the Respondents in default and recommended that the Secretary of State PROHIBIT Respondents WealthBuilders.Name LLC and John Lee Huffman be permanently prohibited from offering or selling securities in the State of Illinois; and the Department accepts the recommendation of the Hearing Officer.

WHEREAS, the Secretary of State accepts the Recommendations of the Hearing Officer and has determined based upon the Findings of Fact and Conclusions of Law that an Order shall be entered fining Respondents, John Lee Huffman and WealthBuilders.Name, LLC each \$10,000.00.

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED THAT:

1. John Lee Huffman and WealthBuilders.Name LLC, and their partners, officers, directors, agents, employees, affiliates, successors, and assigns, are **PROHIBITED** from offering, and/or selling securities in the State of Illinois;
2. WealthBuilders.Name LLC and John Lee Huffman are each **FINED** in the amount of \$10,000.00.

ENTERED: This 12th day of July 2019.


JESSE WHITE
Secretary of State
State of Illinois

Date of Mailing: 15th day of July 2019

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NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a Final Order subject to judicial review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review. Mailing of this Order to the Respondent or representative of record constitutes service of the Order.

Attorney for the Secretary of State:
Felicia H. Simmons-Stovall
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384