

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: SENIOR RETIREMENT SERVICES )  
ITS OFFICERS, DIRECTORS, ) File No. 0800514  
EMPLOYEES, AFFILIATES, SUCCESSORS, )  
AGENTS AND ASSIGNS, )  
AND LAVERN P. HUELSMANN )  
)

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TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS: Senior Retirement Services  
Lavern P. Huelsmann  
25 West Broadway  
Trenton, Illinois 62293

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. That Respondent, Senior Retirement Services, is a purported business entity with a last known address of 25 West Broadway, Trenton, Illinois 62293;
2. That at all times relevant, the Respondent Lavern P. Huelsmann, was Officer, Director, Agent or Employee of Senior Retirement Services;
3. That on or about November 6, 2006, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to WS and GS, Illinois residents, a contract agreement in which for a total investment amount of \$146,250, WS and GS would receive a quarterly return of an initial interest rate of 6.28% and a bonus of \$25,000;
4. That on August 17, 2009, pursuant to Section 11.C of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act"), the Illinois Securities Department ("Department") sent an inquiry letter to Respondents requesting information regarding the aforesaid contract agreement, including copies of said contract agreement and any related account statements or records of subsequent payments made to WS and GS by Respondents pursuant to said contract agreement;

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5. That in their August 31, 2009, response to said inquiry letter, Respondents failed to provide said copies of said contract agreement and/or related account statements or records of subsequent payments, but rather, referenced two hand written documents which the Respondent represented were "written statements from" and/or "written letter from" WS and GS "pertaining to this question"; said documents were directed to the Department's attorney, were purportedly handwritten and signed by WS and GS, and stated that WS and GS were writing the Department's attorney to help clear up the confusion, that all their finances were in order, and that they do not need any further assistance from the Department;
6. That the Respondents told WS and GS what to write in the aforesaid statements/letters and thereafter represented to the Department that said letters were "from" WS and GS for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close its investigation of Respondents;
7. That during the months of September, October and November, 2008, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to WC, DB, DE, DH, JH, AK, PS, and CW, Illinois residents, a "Cash Management" account agreement in which the Respondents represented that Respondents would invest the funds in the aforesaid accounts to generate a return for the aforesaid investors, and that the investors would receive a return of 12% interest for a 12 month period;
8. That during the month of June, 2009, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to RK, VD and JB, Illinois residents, a "Cash Management" account agreement in which the Respondents represented that Respondents would invest the funds in the aforesaid accounts to generate a return for the aforesaid investors, and that the investors would receive a return of 9% interest for a 36 month period;
9. That on or about August 17, 2009, Respondents Senior Retirement Services, by and through its Officers,

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- Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to JMK, an Illinois resident, a "Cash Management" account agreement in which the Respondents represented that they would invest JMK's money to generate a return for JMK, and that JMK would receive a return of 8% interest for a 36 month period;
10. That on or about January 13, 2009, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, offered and sold to MR, an Illinois resident, a "Cash Management" account agreement in which the Respondents represented that they would invest MR's money to generate a return for MR, and that MR would receive a return of 9% interest for a 12 month period;
  11. That at all times relevant, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, did not invest the funds in the aforesaid Cash Management accounts to generate a return for the aforementioned investors, but rather used said funds for their own personal use, including, but not limited to, investing and participating in a day trading account that was in Respondents' own name, paying for Respondents' business expenses, paying for Respondents' personal expenses, and/or participating in river boat and casino gambling activities;
  12. That at all times relevant, neither Senior Retirement Services, nor Lavern P. Huelsmann were registered as a dealer or salesperson of securities in the State of Illinois;
  13. That the aforesaid contract agreement and the aforesaid cash management account agreements are investment contracts and therefore, each is a security 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");
  14. That 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

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with the Secretary of State prior to their offer or sale in the State of Illinois;

15. 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;
16. That Section 12.C of the Act provides, inter alia, that it shall be a violation of the Act for any person to act as a dealer or salesperson unless registered as such, where such registration is required;
17. 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 provisions of the Act;
18. That Section 12.E of the Act provides, inter alia, that it shall be a violation of the Act for any person to make, or cause to be made in any application, report or document filed under this Act, any statement which was false or misleading with respect to any material fact;
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 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 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;
21. That Section 12.I of the Act provides, inter alia, that it shall be a violation 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;

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22. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
23. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, failed to file an application for registration as a dealer or salesperson for the sales of securities in the State of Illinois;
24. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, acted as a dealer and/or salesperson of securities while not being registered as such;
25. That at all times relevant, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, failed to provide documents specifically requested in the Department's inquiry letter, including, but not limited to, a copy of the contract agreement between Respondents and WS and GS and/or related account statements or records of subsequent payments;
26. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, made, or caused to be made, in a document filed under the Act, a statement which was false and/or misleading with respect to any material fact, in that Respondents filed a response to the Department's inquiry letter which contained statements that Respondents represented were written to the Department from WS and GS and were held out by Respondents to be documents written and composed solely and personally by WS and GS, while in fact Respondents dictated and told WS and GS what to write in said statements for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close its investigation of Respondents;

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27. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, engaged in a transaction, practice or course of business in connection with the sale or purchase of securities that worked or tended to work a fraud or deceit upon the purchaser thereof by representing to investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;
28. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, obtained money through the sale of securities by means of an untrue statement of material fact or omission to state a material fact, by representing to investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;
29. That at all times relevant hereto, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, employed a device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly, in that in that Respondents filed a response to the Department's inquiry letter which contained statements that Respondents represented were written to the Department from WS and GS and were held out by Respondents to be documents written and composed solely and personally by WS and GS, while in fact Respondents dictated and told WS and GS what to write in said statements for the expressed purpose of deceiving the Department and thereby attempted to convince the Department through this deception to close

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its investigation of Respondents; furthermore, Respondents represented to investors of the Cash Management account agreements that Respondents were going to invest the funds in the accounts to generate a return for the investors, when in fact Respondents used said funds for personal use, including, but not limited to, day trading in Respondents' personal account, paying business expenses, paying personal expenses and participating in gambling activities;

30. That by virtue of the foregoing, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, have violated Sections 12.A, 12.C, 12.D, 12.E, 12.F, 12.G and 12.I of the Act;
31. 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;
32. 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 Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern P. Huelsmann, from offering and/or selling securities in the State of Illinois; and
33. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order 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, Respondents Senior Retirement Services, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Lavern

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P. Huelsmann, 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 Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 West Jefferson, 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 15<sup>th</sup> day of October, 2009

  
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JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

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