

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: CHARLES H. LANDWER, and)
ACCURATE FINANCIAL GROUP, LTD., his/its partners,) FILE NO. 0600060
officers, directors, agents, successors and assigns.)
_____)

ORDER OF PROHIBITION AND FINE

TO RESPONDENTS: **CHARLES H. LANDWER and**
 Accurate Financial Group, Ltd.
 Jerome Combs Detention Center
 3050 Justice Way
 Kankakee, IL 60901

WHEREAS, the above-captioned matter came on to be heard on June 16, 2010 pursuant to Notice of Hearing dated July 31, 2006, served on Respondents by Petitioner Secretary of State (the "Department") 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 P. Berbas, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the following proposed Findings of Fact and Conclusions of Law of the Hearing Officer are correct but incomplete, and are hereby adopted, as modified, as Findings of Fact and Conclusions of Law of the Secretary of State:

FINDINGS OF FACT

1. The Department served Respondents with Notice of Hearing.

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2. Respondents failed to appear either by themselves or through an attorney at the hearing on June 16, 2010.
3. Respondents failed to answer or otherwise appear at the hearing in accordance with Section 130.1104, therefore,
 - a. The allegations contained in the notice of hearing are deemed admitted;
 - b. Respondents waived their right to a hearing;
 - c. Respondents are subject to an Order of Default.
4. Due notice having been given to the Respondents, the Department was allowed to proceed to a Default Hearing. The hearing was conducted by way of introduction of the testimony of two State witnesses: Special Agent Mark Anderson, and Pearl Heaps. Special Agent Mark Anderson testified extensively and documentation was offered and accepted into evidence.
5. That on December 8, 2005 the Respondents offered and sold to an Illinois resident (hereinafter "Investor") a promissory note in the principal amount of \$352,444.14, with an annual interest rate of 9.34%. Interest on the note was to be paid on the 15th of each month in four monthly periods, with the invested amount of \$352,444.14 to be repaid on April 15, 2006.
6. Respondents paid Investor four payments in the amount of \$2,774.00 between December 17, 2005 and March 23, 2006, and failed to make any other payments, and failed to return the principal to Investor.
7. Respondents failed to invest the monies as they had represented to Investor.
8. Respondents defaulted and failed to repay the principal amount of the note.
9. Respondents converted the monies to their own personal use.
10. Respondents failed to inform Investor of the risks involved in the investment.

CONCLUSIONS OF LAW

1. The Department properly served the Notice of Hearing on Respondents.
2. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.

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3. Respondents failed to answer or otherwise appear at the hearing in accordance with Section 130.1104, therefore,
 - a. The allegations contained in the notice of hearing are deemed admitted;
 - b. Respondents waived their right to a hearing;
 - c. Respondents are subject to an Order of Default.
4. The activities engaged in by Respondents Charles H. Landwer and/or Accurate Financial Group Ltd. constitute the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
5. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
6. Respondents Charles H. Landwer and Accurate Financial Group Ltd. failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
7. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
8. 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.
9. By virtue of the foregoing, Respondents Charles H. Landwer and Accurate Financial Group Ltd. violated Sections 12.A and 12.D of the Act.
10. Respondents knew, or should have known, of the risks involved in the investment that might prevent repayment, but failed or refused to inform the Investor of any such risk.
11. Respondents defaulted and failed to repay the principal amount of the note.
12. 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.

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13. 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 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.
14. 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.
15. By virtue of the foregoing, Respondents have violated Sections 12. F, 12.G and 12.I of the Act.

WHEREAS, the Hearing Officer recommends that:

1. The Department's request for a Default Judgment against the Respondent is granted.
2. A permanent Order shall be entered prohibiting Respondents Charles H. Landwer and Accurate Financial Group Ltd. their partners, officers and directors, agents and employees, affiliates, successors and assigns from offering or selling securities in or from the State of Illinois.
3. State's request for a fine in the amount of \$10,000.00 against each Respondent as to the unregistered securities Count, \$10,000 against each Respondent as to the Failure to Disclose Material facts count, for a total fine in the amount of \$40,000 against Respondents Charles H. Landwer and Accurate Financial Group Ltd. is granted

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. Respondent **Charles H. Landwer**, and his partners, officers and directors, agents and employees, affiliates, successors and assigns are **PROHIBITED** from offering or selling securities in or from the State of Illinois; and Respondent **Charles H. Landwer** is **FINED** in the amount of Twenty Thousand Dollars (\$20,000.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

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2. Respondent **Accurate Financial Group Ltd.** and its partners, officers and directors, agents and employees, affiliates, successors and assigns are **PROHIBITED** from offering or selling securities in or from the State of Illinois; and Respondent **Accurate Financial Group, Ltd.** is **FINED** in the amount of Twenty Thousand Dollars (\$20,000.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Act. Any person or entity that 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 for each offense.

This is a final order subject to administrative 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. 1 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.

Dated: This 13th day of July 2010.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
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