

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS

4 TO: ON LINE FUNDING
5 LAURI LAMPKIN
6 SHEILA JOHNSON
7 3915 West 102nd Street
8 Inglewood, CA 90303-4093

9 DESIST AND REFRAIN ORDER

10 (For violations of sections 25110 and 25401 of the Corporations Code)

11 The California Corporations Commissioner finds that:

12 1. At all relevant times herein, On Line Funding (“On Line”) was a California
13 corporation with its principal place of business at 3915 West 102nd Street, Inglewood, CA 90303-
14 4093.

15 2. At all relevant times herein, Lauri Lampkin (“Lampkin”) was President of On Line
16 Funding.

17 3. At all relevant times herein, Sheila Johnson (“Johnson”) was an agent of On Line
18 Funding, soliciting investors.

19 4. In 2007, On Line, through Johnson and Lampkin, offered and sold securities in the
20 form of investment contracts which pooled investor money to be used in offering real estate loans.

21 5. These securities were offered and sold by On Line, Johnson, and Lampkin in this state
22 in issuer transactions. The Department of Corporations has not issued a permit or other form of
23 qualification authorizing any person to offer and sell these securities in this state.

24 6. In connection with the offer and sale of these securities, On Line, Johnson, and
25 Lampkin made, or caused to be made, misrepresentations of material fact or omitted to state material
26 facts necessary in order to make the statements made, in the light of the circumstances under which
27 they were made, not misleading. These misrepresentations and omissions included, but are not
28 limited to the following:

(a) On Line omitted that its corporate status was suspended; and

(b) On Line misrepresented to investors that they will return their full investment
upon request when in fact On Line does not return the full amount of their investment upon request.

1 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
2 that the securities in the form of investment contracts which pool investor money to be used in
3 offering real estate loans, offered and sold by On Line, Lampkin, and Johnson are securities subject
4 to qualification under the California Corporate Securities Law of 1968 and are being or have been
5 offered and sold without being qualified, in violation of Section 25110 of the Corporate Securities
6 Law of 1968.

7 Pursuant to Section 25532 of the Corporate Securities Law of 1968, On Line Funding, Lauri
8 Lampkin, and Sheila Johnson are hereby ordered to desist and refrain from the further offer or sale in
9 the State of California of securities, including but not limited to, investment contracts which pool
10 investor money to be used in offering real estate loans, unless and until qualification has been made
11 under this law or unless exempt.

12 Further, the California Corporations Commissioner is of the opinion that the securities offered
13 by On Line Funding, Lampkin, and Johnson were offered in this state by means of written or oral
14 communications that included untrue statements of material fact or omitted to state material facts
15 necessary in order to make the statements made, in the light of the circumstances under which they
16 were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

17 Pursuant to Section 25532 of the Corporate Securities Law of 1968, On Line Funding, Lauri
18 Lampkin, and Sheila Johnson are hereby ordered to desist and refrain from offering or selling or
19 buying or offering to buy any security in the State of California, including but not limited to,
20 investment contracts which pool investor money to be used in offering real estate loans, by means of
21 any written or oral communication which includes an untrue statement of a material fact or omits to
22 state a material fact necessary in order to make the statements made, in the light of the circumstances
23 under which they were made, not misleading.

24 This Order is necessary, in the public interest, for the protection of investors and consistent
25 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

26 Dated: August 1, 2011
27 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

28 By: _____
ALAN S. WEINGER
Deputy Commissioner