

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Lee Loomis
Loomis Wealth Solutions, Inc.
2424 Professional Drive
Roseville, California 95661
and
20 S Clark Street, 29th Floor
Chicago, Illinois 60603
and
2190 Gladstone Court, Suite E
Glendale Heights, Illinois 60139
and
2731 Wetmoore Avenue, Suite 203
Everett, Washington 98201

DESIST AND REFRAIN ORDER
(For violation of section 25110, 25210, 25230 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Lee Loomis (“Loomis”) was the president of Loomis Wealth Solutions, Inc.
2. Loomis Wealth Solutions, Inc. is an Illinois corporation with branches located at 2424 Professional Drive, Roseville, California 95661, 2731 Wetmoore Avenue, Suite 203, Everett, Washington 98201, 20 South Clark Street 29th Floor, Chicago, Illinois 60603, and 2190 Gladstone Court, Suite E, Glendale Heights, Illinois 60139.
3. From January 2008 and thereafter, Loomis and Loomis Wealth Solutions, Inc. offered and/or sold securities in the State of California, in the form of memberships in the Income Advantage Plan offered by Loomis Wealth Solutions, Inc.

1 4. From January 2008 and thereafter, Loomis and Loomis Wealth Solutions, Inc. conducted free
2 seminars in California. As a result of the free seminars Loomis and Loomis Wealth Solutions, Inc.
3 offered California residents memberships in the Income Advantage Plan. The purpose of the Income
4 Advantage Plan was to create wealth in a 3 step plan. The three step plan involved the member
5 purchasing property from Loomis and Loomis Wealth Solutions, Inc. and then allowing Loomis and
6 Loomis Wealth Solutions, Inc. to control the property. The member is promised a monthly return plus
7 half the sales price when the property is sold.

8 5. Loomis and Loomis Wealth Solutions, Inc. offered and/or sold these securities in this state in
9 issuer transactions. The Department of Corporations has not issued a permit or other form of
10 qualification authorizing any person to offer or sell these securities in this state.

11 6. From January 2008 and thereafter Loomis and Loomis Wealth Solutions, Inc. were engaged
12 in unlicensed activity as an investment advisor. Loomis and Loomis Wealth Solutions, Inc. provided
13 financial advice to members of Loomis Wealth Solutions, Inc. in the form of the three step plan to
14 wealth that Loomis spoke about at his seminars, and advised people to invest in the Naras Secured
15 Fund, LLC.

16 7. From January 2008 and thereafter, Loomis and Loomis Wealth Solutions, Inc. were engaged
17 in unlicensed broker-dealer activity. As part of the three step plan, Loomis and Loomis Wealth
18 Solutions, Inc. offered and sold securities in the form of membership units in the Naras Secured
19 Fund, LLC for the account of Loomis Wealth Solutions, Inc. members.

20 Based upon the foregoing findings, the California Corporations Commissioner is of the
21 opinion that the memberships in the Income Advantage Plan issued by Loomis and Loomis Wealth
22 Solutions, Inc. are securities subject to qualification under the California Corporate Securities Law of
23 1968 and are being or have been offered or sold without being qualified in violation of Corporations
24 Code section 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Lee Loomis
25 and Loomis Wealth Solutions, Inc. are hereby ordered to desist and refrain from the further offer or
26 sale of securities in the State of California, unless and until qualification has been made under the law
27 or unless exempt.
28

1 Further, the Commissioner is of the opinion that Lee Loomis and Loomis Wealth Solutions,
2 Inc. conducted business as a broker-dealer in California without having first applied for and secured
3 a certificate, then in effect, from the Commissioner authorizing such activities in violation of
4 section 25210 of the California Corporations Code. Pursuant to Section 25532 of the Corporate
5 Securities Law of 1968, Lee Loomis and Loomis Wealth Solutions, Inc. are hereby ordered to desist
6 and refrain from effecting any transaction in, or inducing or attempting to induce the purchase or
7 sale of, any security, in this state, unless and until they have applied for and secured from the
8 Commissioner a certificate, then in effect, authorizing them to act in that capacity, unless exempted
9 under the provisions of Chapter 1 (commencing with Section 25200) of this part.

10 Lastly, the Commissioner is of the opinion that Lee Loomis and Loomis Wealth Solutions,
11 Inc. conducted business as an investment adviser in California without having first applied for and
12 secured a certificate, then in effect, from the Commissioner authorizing such activities in violation
13 of section 25230 of the California Corporations Code. Pursuant to Section 25532 of the Corporate
14 Securities Law of 1968, Lee Loomis and Loomis Wealth Solutions, Inc. are hereby ordered to
15 desist and refrain from acting as an investment adviser in the State of California unless and until
16 they have first applied for and secured from the Commissioner a certificate, then in effect,
17 authorizing them to act as an investment adviser.

18 This Order is necessary, in the public interest, for the protection of investors and consistent
19 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This order shall
20 remain in full force and effect until further order of the California Corporations Commissioner.

21 Dated: August 27, 2008
22 Sacramento, California

PRESTON DuFAUCHARD
California Corporations Commissioner

24 By: _____
25 ALAN S. WEINGER
26 Acting Deputy Commissioner
27 Enforcement Division
28