

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

\_\_\_\_\_  
IN THE MATTER OF: JAMES RANEY  
\_\_\_\_\_

)  
) File No 1100223  
)

CONSENT ORDER

TO THE RESPONDENT: James Raney  
447 Crestline Drive  
Decatur, Illinois 62526

WHEREAS, Respondent James Raney (the "Respondent") on August 2, 2011, executed a certain Stipulation To Enter Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

1. That Respondent, James Raney, is an individual with a last known addresses of 447 Crestline Drive, Decatur, Illinois 62526;
2. That on or about April 15, 2011, Respondent James Raney placed an advertisement which appeared in the classified section of the April 15, 2011, edition of the State Journal Register located in Springfield, Illinois (hereinafter, "advertisement"); said advertisement stated as follows: "Managed Fund, earn 6K/mo/unit, 30K 1<sup>st</sup> unit, 10K each add unit, or 20% interest on \$15K deposit";
3. That the aforesaid advertisement constituted an offer as that term is defined pursuant to Section 2.5a of the Act;

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4. That the managed fund units described in the aforesaid advertisement are securities as that term is defined pursuant to Section 2.1. of the Act;
5. 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 with the Secretary of State prior to their offer or sale in the State of Illinois;
6. 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;
7. 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;
8. 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;
9. That at all times relevant hereto, Respondent James Raney failed to file an application for registration of the above-referenced security with the Secretary of State prior to their offer or sale in the State of Illinois;
10. That at all times relevant hereto, Respondent James Raney failed to file an application for registration as a dealer or salesperson for the sales of securities in the State of Illinois;
11. That at all times relevant hereto, Respondent James Raney acted as a dealer and/or salesperson of securities while not being registered as such;
12. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsections C, and/or D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;

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13. That Section 11.E.(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is engaging or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
14. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as an order of public censure and the costs of investigation and reasonable expenses;
15. That by virtue of the foregoing, the Respondent James Raney is subject to a fine of up to \$10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

1. That by virtue of the foregoing, Respondent James Raney has violated Sections 12.A, 12.C, and 12.D of the Act;
2. That by virtue of the foregoing, Respondent James Raney is subject to an Order which permanently prohibits Respondent from offering and/or selling securities in the State of Illinois.

WHEREAS, the Respondent acknowledges and agrees that the Respondent shall be permanently prohibited from offering and/or selling securities in the State of Illinois;

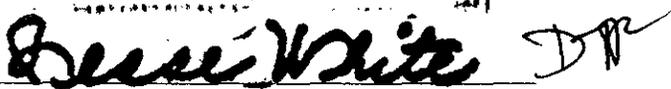
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NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The foresaid allegations contained in the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law;
2. The Respondent shall be permanently prohibited from offering and/or selling securities in the State of Illinois;

ENTERED: This 26<sup>th</sup> day of August, 2011.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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 [815 ILCS 5] (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.

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Hearing Officer:  
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