

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF: LT SOLUTIONS,)	
CORP., a Minnesota Corporation, MYRON)	File No. 1300192
C. OSTBY, an individual, STEVEN)	
FURLONG, an individual, and THOMAS)	
DAMAGALA, an individual.)	

CONSENT ORDER

TO THE RESPONDENT: **Steven Furlong**
 8132 Main Street
 Maple Grove, MN 55369

WHEREAS, Respondent Steven Furlong ("Furlong") on the 23rd day of January, 2015 executed a certain Stipulation to Enter Consent Order ("the Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent Furlong has admitted to the jurisdiction of the Secretary of State, Securities Department, and has consented to the entry of *this Consent Order*.

WHEREAS, by means of Stipulation, Respondent Furlong acknowledges that he has had the opportunity to consult with legal counsel regarding this matter.

COUNT I

FAILURE TO DISCLOSE

WHEREAS, by means of the stipulation, Respondent Furlong acknowledges, that the Secretary of State makes the following Findings of Facts:

1. Respondent LT Solutions, Corp. ("LT") at all relevant times was a registered Minnesota corporation with the last known address of 7308 Aspen Lane # 124 Brooklyn Park, MN 55428.
2. Respondent Furlong was at one time the Chief Executive Officer of Respondent LT, and has the last known address of 1832 Main Street, Maple Grove, MN 55369.
3. Respondent LT was a company that dealt in the production, design, and sale of LED light bulbs.

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4. Sometime in January 2012, Respondent Furlong was replaced by Respondent Thomas Damagala ("Damagala") as CEO of Respondent LT, thereafter taking the position of Secretary of Respondent LT. Respondent Furlong maintained a position on the Board of Directors of Respondent LT.
5. A board meeting was held at the corporate offices of Respondent LT on January 16, 2012. Present at the meeting were Respondents Myron Ostby ("Ostby"), Damagala, corporate counsel, and Respondent Furlong.
6. At the board meeting held on January 16, 2012, three measures were ratified: 1) The Series A round of financing at \$1 per share was retired; 2) A Series B round will be initiated at \$2 per share; and 3) The Employee Stock Option Allotment will be set at 15%. Moreover, the minutes of the meeting were never formally logged into the Board Book.
7. Investor A, an Illinois resident, travelled to Respondent LT's corporate headquarters on or around February 9, 2012.
8. On March 12, 2012, Investor A signed a subscription agreement with Respondent LT, which references that Investor A has received and reviewed the Private Placement Memorandum ("PPM") dated January 16, 2012.
9. Investor A purchased securities from LT, a non-publically traded company, for \$2 a share. Investor A purchased 5000 shares for a total investment of \$10,000.
10. Neither the PPM dated January 16, 2012, or the subscription agreement signed by Investor A on March 12, 2012, disclosed the lawsuit filed against the Respondents on November 15, 2011, or the settlement agreement executed on December 21, 2011, between Respondents and a Creditor (former shareholder) granting Creditor a secured interest in all Respondent LT's assets until Creditor's shares have been repurchased by Respondent LT.
11. Respondent LT, by and through its board members, failed to disclose the lawsuit and settlement agreement to Investor A, correct the misstatements of the PPM dated January 16, 2012, and failed to refund the \$10,000 to Investor A.
12. Section 12.G of the Act states *inter alia* that it shall be a violation of the provisions 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 the light of the circumstances under which they were made, not misleading.
13. By virtue of the foregoing, Respondent Furlong as a board member of Respondent LT Solutions violated Section 12.G of the Act.

CONCLUSIONS OF LAW

WHEREAS, by means of the Stipulation, Respondent Furlong has acknowledged that the following shall be adopted as the Secretary of State's Conclusions of Law:

1. Illinois has jurisdiction over this matter pursuant to the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act");
2. Respondent Furlong acknowledges and agrees that he has violated Section 12.G of the Act;
3. Respondent Furlong agrees to be prohibited from engaging in the offer and sale of securities in or from the State of Illinois, and agrees to be prohibited from engaging in any and all investment adviser activities in the State of Illinois;
4. Respondent Furlong agrees to a permanent bar from registering as a salesperson in the State of Illinois;
5. Respondent Furlong agrees to a permanent bar from registering as an investment adviser, and/or investment adviser representative in the State of Illinois;
6. Respondent Furlong agrees to cooperate with the Department, including but not limited to providing testimony, evidence, and assistance to the Department in any resulting actions. Moreover, Respondent Furlong agrees to waive any and all witness fees/costs in providing his testimony to the Department;
7. Respondent Furlong acknowledges and agrees to pay restitution to Investor A in the amount of \$3,000;
8. Respondent Furlong acknowledges and agrees that the \$3,000 restitution shall be payable to Investor A, and Respondent Furlong shall make \$50 monthly payments beginning February 17, 2015, and continuing until such a time as the \$3,000 is paid in full;
9. Respondent Furlong acknowledges and agrees that he shall send the check to the Illinois Department of Securities, Reference Case # 1300192, 69 West Washington Street, Suite 1220, Chicago, IL 60602;
10. Respondent Furlong acknowledges and agrees that shall be estopped from seeking relief from the obligations set forth in paragraphs 7 and 8 of the Conclusions of Law of this Consent Order through any bankruptcy proceedings pursuant to 11 U.S.C. § 523(a) 19;
11. Respondent Furlong acknowledges and agrees that if he defaults on these payments to Investor A, the Illinois Securities Department may at its sole discretion and option void

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this order and reinstate this proceeding as if it was filed on the date of this Consent Order, or alternatively seek to enforce the terms of this Consent Order.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. By means of Stipulation, Respondent Furlong is **PROHIBITED** from engaging in the offer and sale of securities in or from the State of Illinois, and will be **PROHIBITED** from engaging in any and all investment adviser activities in the State of Illinois;
2. By means of Stipulation, Respondent Furlong is permanently **BARRED** from registering as a salesperson in the State of Illinois;
3. By means of Stipulation, Respondent Furlong is permanently **BARRED** from registering as an investment adviser, and/or investment adviser representative in the State of Illinois;
4. By means of Stipulation, Respondent Furlong shall cooperate with the Department, including but not limited to providing testimony, evidence, and assistance to the Department in any resulting actions. Moreover, Respondent Furlong has agreed to waive any and all witness fees/costs in providing his testimony to the Department;
5. By means of Stipulation, Respondent Furlong shall pay restitution to Investor A in the amount of \$3,000;
6. By means of Stipulation, the \$3,000 restitution shall be payable to Investor A, and Respondent Furlong shall make \$50 monthly payments beginning February 17, 2015, and continuing until such a time as the \$3,000 is paid in full;
7. By means of Stipulation, Respondent Furlong shall send the check to the Illinois Department of Securities, Reference Case # 1300192, 69 West Washington Street, Suite 1220, Chicago, IL 60602;
8. By means of Stipulation, Respondent Furlong shall be estopped from seeking relief from the obligations set forth in paragraphs 7 and 8 of the Conclusions of Law of this Consent Order through any bankruptcy proceedings pursuant to 11 U.S.C. § 523(a) 19;
9. If Respondent Furlong defaults on these payments to Investor A, the Illinois Securities Department may at its sole discretion and option void this order and reinstate this proceeding as if it was filed on the date of this Consent Order, or alternatively seek to enforce the terms of this Consent Order;
10. The Notice of Hearing dated September 2, 2014, as it relates to Respondent Furlong will be dismissed without further proceedings upon full satisfaction of all obligations set forth in this Order;

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11. The entry of this Order ends the Secretary of State Securities Department's formal hearing of this matter.

Entered: This 26th day of January, 2015.



JESSE WHITE
Secretary of State
State of Illinois

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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 who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order shall be guilty of a Class 4 Felony.

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 (14 111. Admin. Code, Ch. I, 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.