

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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<b>IN THE MATTER OF:</b>	)	
	)	
<b>James D. Bourassa,</b>	)	
	)	
<b>Francis X. Sanchez,</b>	)	
	)	
<b>InvestForClosures Financial, L.L.C.</b>	)	
its partners, members, officers and	)	
directors, agents, employees, affiliates,	)	
successors and assigns	)	
d/b/a	)	<b>File Number: 07-00023</b>
ROI Developers	)	
InvestForClosures	)	
	)	
<b>InvestForClosures Ventures, L.L.C.</b>	)	
its partners, members, officers and	)	
directors, agents, employees, affiliates,	)	
successors and assigns	)	
d/b/a	)	
Sands of Gold Escrow,	)	
Sands of Gold,	)	
ROI Financial,	)	
Realty Opportunities International	)	
Escrow 23, and	)	
ROI Escrow.	)	
	)	

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**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENT:** James D. Bourassa  
254 Gregory M. Sears Drive  
Gilberts, IL 60136

Francis X. Sanchez  
710 Lake Avenue  
Woodstock, Illinois 60098

Temporary Order of Prohibition

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InvestForClosures Financial, L.L.C.  
2303 Randall Rd.  
PMB 120  
Carpentersville, IL 60110

InvestForClosures Financial, L.L.C.  
84 N. Eastwood Dr., #3015  
Woodstock, IL 60098

InvestForClosures Ventures, L.L.C.  
326 Railroad Street  
Woodstock, IL 60093

InvestForClosures Ventures, L.L.C.  
13908 IL Route 176  
Woodstock, IL 60098

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

1. Respondent **InvestForClosures Financial, L.L.C.** ("Financial") is an entity with last known addresses of 2303 Randall Rd., PMB 120, Carpentersville, IL 60110 and 84 N. Eastwood Dr., #3015, Woodstock, IL 60098. Financial conducted business with the assumed names of ROI Developers and InvestForClosures.
2. Respondent **InvestForClosures Ventures, L.L.C.** ("Ventures") is an entity with last known addresses of 326 Railroad Street, Woodstock, IL 60093, and 13908 IL Route 176, Woodstock, IL 60098. Ventures conducted business with the assumed names of Sands of Gold Escrow, Sands of Gold, ROI Financial, Realty Opportunities International Escrow 23, and ROI Escrow.
3. Respondent **Francis "Frank" X. Sanchez** ("Sanchez") is the Chief Executive Officer of both Financial and Ventures and has a last known address of 710 Lake Avenue, Woodstock, IL 60098.
4. Respondent **James "Jim" D. Bourassa** ("Bourassa") is the President of both Financial and Ventures, and has a last known address of 254 Gregory M. Sears Drive, Gilberts, IL 60136.

COUNT I

**FRAUD IN THE SALE OF SECURITIES**  
**(Failure to Disclose Default to Subsequent Investors)**

5. From 2001 until the present, Respondent Financial, by and through its officers Sanchez and Bourassa, sold and offered to sell notes to the general public, including residents of the State of Illinois (“Investors”) involving the purchase, rehabilitation, and resale of foreclosed properties.
6. From 2004 until the present, Respondent Ventures, by and through its officers Sanchez and Bourassa, sold and offered to sell notes to the general public, including residents of the State of Illinois involving the purchase, rehabilitation, and resale of foreclosed properties.
7. Respondents Financial and Ventures solicited Investors to purchase investment notes, some for a set term ranging from ninety (90) days to five (5) years and having a fixed APR ranging from 2.9% to 19.9%.
8. In or around 2003, at least one Investor (“Investor A”) paid to Financial the sum of \$35,000 for a note which would mature in three (3) years with a 10% APR, in exchange for which Investor A received a certificate from Financial.
9. After the end of Investor A’s three year investment term, Investor A attempted to redeem his investment. Investor A’s Quarterly Statement from Financial represented that at the end of the term, Investor A had accumulated \$11,161.50 worth of interest, and that “[a]n open balance of \$46,161.50 remains.”
10. When Investor A attempted to collect the balance of the account, however, Frank Sanchez and Jim Bourassa, acting as principals of Financial, refused to return Investor A’s principal or interest, despite Investor A’s repeated requests.
11. Rather, on November 12, 2006 Frank Sanchez, CEO of Financial, represented to Investor A that Financial did not have enough cash available to pay Investor A the sum which Respondents Sanchez, Bourassa, and Financial had previously acknowledged Investor A was due.
12. In November of 2007, subsequent to defaulting on notes payable to Investor A, Frank Sanchez and Jim Bourassa, in connection with an offer made to Investor B, represented to Investor B that Financial and Ventures were prospering entities.
13. Respondents failed to disclose to Investor B that Financial defaulted on a note payable to Investor A.
14. To date, Investor A has still not received the principal or interest on his investment, and has lost contact with Respondents.

15. The activities described above 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 5/1 *et. seq.*] (the "Act").
16. Section 12.F of the Act states that it shall be a violation of the provisions of this 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."
17. Section 12.G of the Act states that it shall be a violation of the provisions of this 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."
18. Section 12.I of the Act states that it shall be a violation of the provisions of this 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."
19. By virtue of this conduct, Respondents violated Sections 12.F, 12.G, and 12.I of the Act.

## COUNT II

### **FRAUD IN THE SALE OF SECURITIES** **(False and Misleading Statements Relating to Exempt Status)**

20. Paragraphs 1-14 are realleged as if fully set forth herein.
21. On December 29, 2004 Respondent Frank Sanchez, acting on behalf of Ventures as Chief Executive Officer, filed a Form D Notice of Sale of Securities Pursuant to Regulation D Section 4(6), and/or Uniform Limited Offering Exemption.
22. In its "Form D" filing, Respondent Ventures claimed an exemption from registration for the Ventures offering, pursuant to Rule 506 of Regulation D.
23. Respondent Financial also claimed an exemption from registration in the offering materials it distributed to Investors.
24. Respondents generally solicited at least one Illinois resident to invest in Financial and Ventures by advertising the securities in mediums available to the general public, such as magazines and the Internet.
25. Investor A learned of the investment opportunities in Financial and Ventures through an advertisement in a magazine of general circulation.

26. Investor A was not an “accredited” investor under Section 501 of Regulation D, nor did Investor A have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the investment.
27. Investor A had no substantive, pre-existing relationship with Respondents.
28. Respondents led Investor A to believe that Financial and Ventures were exempt offerings, when Respondents knew or should have known that Respondents’ actions of generally soliciting investments in Financial and Ventures violated the exemption requirements of Rule 506 of Regulation D.
29. The activities described above 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 5/1 *et. seq.*] (the “Act”).
30. Section 12.E of the Act provides, *inter alia*, that it shall be a violation for any person “to make or cause to be made, in any application, report or document filed under this Act or any rule or regulation made by the Secretary of State pursuant to this Act, any statement which was false or misleading with respect to any material fact.”
31. Section 12.F of the Act states that it shall be a violation of the provisions of this 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.”
32. Section 12.G of the Act states that it shall be a violation of the provisions of this 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.”
33. Section 12.H of the Act states that it shall be a violation of the provisions of this Act for any person to, “sign or circulate any statement, prospectus, or other paper or document required by any provision of this Act or pertaining to any security knowing or having reasonable grounds to know any material representation therein contained to be false or true.”
34. Section 12.I of the Act states that it shall be a violation of the provisions of this 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.
35. By virtue of this conduct, Respondents violated Sections 12.E, 12.F, 12.G, 12.H, and 12.I of the Act.

**COUNT III**

**FAILURE TO REGISTER SECURITIES**

36. Paragraphs 1-14 are realleged as if fully set forth herein.
37. The activities described above constitute the offer and sale of a transferable share and therefore 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 5/1 *et. seq.*] (the "Act").
38. 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.
39. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and, as a result, the securities were not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
40. 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."
41. 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."
42. By virtue of the foregoing, Respondent violated Sections 12.A and 12.D of the Act.

**COUNT IV**

**FAILURE TO FILE WITH THE SECRETARY OF STATE**  
**(Respondents Frank Sanchez, Jim Bourassa, and Financial)**

43. Paragraphs 1-14 are realleged as if fully set forth herein.
44. The activities described above constitute the offer and sale of a transferable share and therefore 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 5/1 *et. seq.*] (the "Act").
45. In its offering materials, Financial represented that the investments it offered were exempt from registration.
46. Respondents failed to file a Form D Notice of Sale of Securities Pursuant to Regulation D Section 4(6), and/or Uniform Limited Offering Exemption for the offerings of Financial.

47. 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.”
48. 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.”
49. By virtue of the foregoing, Respondent violated Sections 12.A and 12.D of the Act
50. The aforementioned findings are based upon credible evidence.

### PROHIBITION

51. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
52. The entry of this **Temporary Order of Prohibition** prohibiting Respondent, or their agents, affiliates, successors and employees, from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **James D. Bourassa, Francis X. Sanchez, InvestForClosures Financial, L.L.C.** d/b/a ROI Developers and InvestForClosures, **InvestForClosures Ventures, L.L.C.**, d/b/a Sands of Gold Escrow, Sands of Gold, ROI Financial, Realty Opportunities International Escrow 23, ROI Escrow, and each Respondent’s partners, members, officers and directors, agents, employees, affiliates, successors and assigns, are **Temporarily Prohibited** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the **Temporary Order of Prohibition**. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.


FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF

Temporary Order of Prohibition

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PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED  
HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY  
ORDER OF PROHIBITION FINAL.

Dated: This 9<sup>th</sup> day of November 2007.

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

Angela P. Angelakos  
Illinois Securities Department  
69 West Washington Street  
Chicago, Illinois 60602  
312-793-3595