

Notice of Hearing

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Partners', LLC status of revoked. At all relevant times, Respondent Lunn Partners, LLC was registered as an Investment Advisor.

3. Respondents entered into a Investment Advisor relationship with an Illinois Investor ("Investor A").
4. During the period of June 29, 2001 through December 31, 2002 Respondents issued and sold to Investor A a series of promissory notes ("Notes").
5. In addition, on or around 2002 Respondents established and managed a cash management account on behalf of Investor A. Utilizing Investors A funds in the Cash Management Account, Respondents made loans to related parties and other parties.
6. In or around February of 2003, Investor A requested that the Respondents liquidate his cash management account.
7. In or around May of 2003, Respondents entered an agreement where in the event of a default, Respondents would guarantee certain obligations relating to the Cash Management account.
8. Respondents failed to inform Investor A, that in the event of a Default Respondents had insufficient assets to guarantee such obligations.
9. Subsequently, Investor A requested Respondents meet the obligations under the guarantees they had provided Investor A and Respondents were unable to do so.
10. Section 12.J of the Act provides, *inter alia*, that it shall be a violation of the Act for any person "when acting as an investment adviser, investment adviser representative, or a federally covered investment adviser, by any means or instrumentality, directly or indirectly to engage in any transaction, practice , or course of business which operates as a fraud or deceit upon any client or prospective client."
11. By virtue of the foregoing, Respondents violated 12.J of the Act and will violate them again if they make further offers, or if they make any sales, of the investment opportunity describe above in the State of Illinois.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

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Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

The Rules promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department may be viewed online at <http://www.cyberdriveillinois.com/departments/securities/lawrules.html>.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

DATED: This 26th day of November 2007.


JESSE WHITE
Secretary of State
State of Illinois

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