

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the Matter of:

GLENN MUELLER,
Unregistered,

Complaint No. 342138

Respondent.

Issued and entered
this 5th day of May, 2020

**CONSENT ORDER RESOLVING AMENDED
NOTICE AND ORDER TO CEASE AND DESIST**

A. RELEVANT INFORMATION AND STATUTORY PROVISIONS, under the Michigan Uniform Securities Act (2002) (the “Securities Act”), 2008 PA 551, MCL 451.2101 *et seq.*:

1. On March 31, 2020, Administrative Law Specialist Stephen Brey, on behalf of the Corporations, Securities & Commercial Licensing Bureau of the Michigan Department of Licensing and Regulatory Affairs (the “Bureau”), issued an Amended Notice and Order to Cease and Desist (“Amended C&D”) against Respondent Glenn Mueller, an individual who resides in the State of Illinois who is not registered in any capacity under the Act, (“Respondent”), Complaint No. 342138. For purposes of this Consent Order Resolving Amended Notice and Order to Cease and Desist (“Consent Order”), Respondent and Bureau staff are referred to individually as a “Party” and collectively as the “Parties.”
2. The Amended C&D Order ordered Respondent to immediately cease and desist from continuing to offer or sell unregistered securities and from misstating and omitting to state material facts necessary to make other statements made not misleading in connection with the offer or sale of securities, contrary to the Securities Act.

3. The Amended C&D Order was immediately effective pursuant to MCL 451.2604(2); however, Respondent timely requested an administrative hearing on the Amended C&D Order pursuant to the Act (including section 604, MCL 451.2604) and the Michigan Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 *et seq.* (including section 71, MCL 24.271) (the "Hearing Request"). Thereafter, the Parties waived the 15-day statutory requirement to schedule a hearing and agreed to hold Respondent's Hearing Request in abeyance while negotiating possible resolution through this Consent Order.
4. As a result of negotiations, the Parties agree to and recommend that the Bureau's Administrator order a settlement of this matter under the terms and conditions set forth in this Consent Order. Respondent was represented by, and had the advice of, legal counsel throughout the process of resolving the Amended C&D through this Consent Order.

B. AGREEMENT

The Parties agree to resolve the Amended C&D pursuant to the following terms and conditions:

1. Respondent agrees to cease and desist from violating the Act, including but not limited to Section 301 of the Securities Act, MCL 451.2301, and Section 501 of the Securities Act, MCL 451.2501.
2. Respondent agrees that he will not conduct any business in Michigan regulated under the Securities Act; and will not act as a principal or consultant on behalf of any entity so engaged in that business.
3. The Bureau will report and publish this Consent Order according to its current policy, as follows:


This Consent Order is a public record required to be published and made available to the public, consistent with section 11 of the Michigan Freedom of Information Act, MCL 15.241. The Bureau will publish this Consent Order consistent with its current policy, whereby copies of orders issued under the Act are posted to the Bureau's website and a summary of order content is included in monthly disciplinary action reports separately published on the Bureau's website.

4. Notwithstanding the potential application of MCL 451.2412(9), this Consent Order expressly preserves the Bureau's and Administrator's ability to rely on and assert, in any future proceeding under the Act, all activities, conduct, and alleged Act violations by Respondent contained in or relating to the Amended C&D Order.
5. Respondent consents to entry of this Consent Order for the purpose of resolving the Amended C&D Order in an expeditious fashion that avoids the time and expense associated with an administrative proceeding on the Hearing Request and any appeals therefrom. The Parties agree that this Consent Order is automatically admissible in a proceeding to enforce its provisions or in any administrative proceeding under the Securities Act.
6. The Parties agree that this Consent Order resolves only Respondent's activities, conduct, and alleged Securities Act violations contained in the Amended C&D Order, but it does not address or resolve any other activities, conduct, or potential Securities Act violations engaged in by Respondent not expressly contained in the Amended C&D Order or occurring after the date this Consent Order is entered.
7. Respondent agrees that, effective upon entry of this Consent Order, the Hearing Request is automatically revoked without further action by the Parties.
8. Respondent agrees to cooperate with the Bureau and comply with any reasonable investigative demands made by the Bureau in the future for purposes of ensuring compliance with this Consent Order or the Securities Act.
9. Respondent acknowledges and agrees that: (a) the Administrator has jurisdiction and authority to enter this Consent Order; (b) the Administrator may enter this Consent Order without any further notice to Respondent; and (c) upon entry of this Consent Order, it is final and binding, and Respondent waives any right to a hearing or appeal of this Consent Order and the Amended C&D Order under the Securities Act, the rules promulgated under the Securities Act or the predecessor Act, the Michigan Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 *et seq.*, or other applicable law.

10. The Parties understand and agree that this Consent Order will be presented to the Administrator for her final approval as evidenced by its entry, and that the Administrator may, in her sole discretion, decide to accept or reject this Consent Order. If the Administrator accepts this Consent Order by entering it, this Consent Order becomes fully effective and binding in accordance with Paragraph B.9. above. If the Administrator rejects this Consent Order by refusing to enter it, the Parties waive any objection to submitting the Hearing Request for adjudication through a formal administrative proceeding and the Administrator remaining the final decisionmaker at the conclusion of that proceeding.
11. The Parties acknowledge and agree that this Consent Order contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Consent Order may only be amended, modified, or supplemented by a duly executed writing signed by each party and approved by Order of the Administrator.
12. The Parties acknowledge and represent that: (a) each Party has read this Consent Order in its entirety and fully understands all of its terms, conditions, ramifications, and consequences; (b) each Party unconditionally consents to the terms of this Consent Order; (c) each Party has consulted with or had ample opportunity to consult with legal counsel of his, her, or its choosing prior to executing this Consent Order; (d) each Party has freely and voluntarily signed this Consent Order; and (e) the consideration received by each Party as described in this Consent Order is adequate.
13. The Parties acknowledge and agree that the Administrator retains the right to pursue any action or proceeding permitted by law to enforce the provisions of this Consent Order.
14. The signatories to this Consent Order below represent and warrant that they have the legal capacity and authority to enter into this Consent Order on behalf of the named Parties and to bind the named Parties to the terms and conditions contained herein.

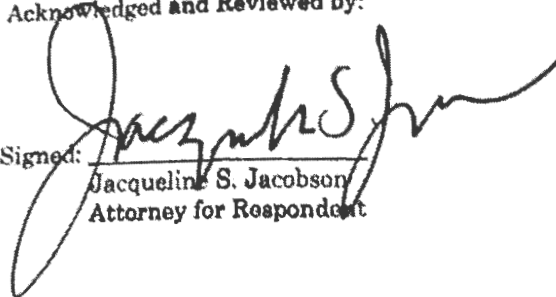
15. The Parties agree that facsimile or electronically transmitted signatures may be submitted in connection with this Consent Order and are binding on that Party to the same extent as an original signature.

Through their signatures, the Parties agree to the above terms and conditions.

Signed: 
Glenn Mueller, Respondent

Dated: 1-20-2020

Acknowledged and Reviewed by:

Signed: 
Jacqueline S. Jacobson
Attorney for Respondent

Dated: 4/20/2020

Approved by:

Signed: _____
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

Dated: _____

15. The Parties agree that facsimile or electronically transmitted signatures may be submitted in connection with this Consent Order and are binding on that Party to the same extent as an original signature.

Through their signatures, the Parties agree to the above terms and conditions.

Signed: _____
Glenn Mueller, Respondent

Dated: _____

Acknowledged and Reviewed by:

Signed: _____
Jacqueline S. Jacobson
Attorney for Respondent

Dated: _____

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Approved by:

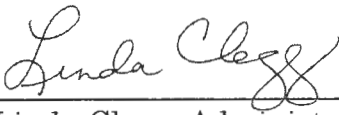
Signed: Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

Dated: 4/21/20

C. ORDER

The Administrator NOW, THEREFORE, ORDERS:

THE TERMS AND CONDITIONS IN THE FOREGOING FULLY EXECUTED
CONSENT AGREEMENT ARE INCORPORATED BY REFERENCE AND MADE
BINDING AND EFFECTIVE THROUGH THIS CONSENT ORDER.

By: 
Linda Clegg, Administrator and
Interim Director, Corporations, Securities &
Commercial Licensing Bureau

Date: 4/21/2020

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the Matter of:

Complaint No. 342138

GLENN MUELLER
Unregistered

Respondent.

_____/

This 31st day of March, 2020

AMENDED NOTICE AND ORDER TO CEASE AND DESIST

The Corporations, Securities & Commercial Licensing Bureau (“Administrator”), pursuant to its statutory authority and responsibility to administer and enforce the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq* (“Securities Act”), hereby rescinds a Notice and Order to Cease and Desist issued on or around January 22, 2020 (Exhibit 1) and orders Glenn Mueller (“Respondent”) to cease and desist from offering and selling unregistered securities and from misstating or omitting to state material facts necessary in order to make other statements made, in the light of the circumstances under which they were made, not misleading in connection with the offer and sale of securities, contrary to the Securities Act. Respondent is notified of the opportunity to request a hearing in this matter.

I. BACKGROUND

A. The Respondent

1. Glenn Mueller is an Illinois resident and real estate developer who owns and operates various entities which are associated with each other through ownership and management relationships. Respondent owned or otherwise associated with the multiple business entities which were used to offer and sell various unregistered investments to people across the country, including in Michigan. Respondent is not registered in any capacity under the Securities Act and has not registered any securities offerings under the Securities Act.

B. Findings of Fact

1. The Administrator's staff conducted an investigation of Respondent's activities under the Securities Act in Michigan.
2. The investigation developed evidence that Respondent Glenn Mueller through various entities including Northridge Holdings Ltd., Eastridge Holdings Ltd., Unity Investment Group I, Ltd., and others, offered and sold promissory note securities which were not federal covered, exempt from registration, or registered under the Securities Act.
3. The investigation developed evidence that Respondent Glenn Mueller through various entities including Northridge Holdings Ltd., Eastridge Holdings Ltd., Unity Investment Group I, Ltd., and others, misstated and omitted to state material facts necessary to make other statements made not misleading in connection with the offer or sale of securities:

A. Respondent described investments he offered and sold as "CD alternatives" when, in fact, the investments were not certificates of deposit insured by the FDIC or even remotely equivalent, but were speculative promissory notes dependent upon the success of underlying real property business investment performance.

B. Respondent described the investments as "safe" but failed to state that the investment was speculative and carried a significant risk of loss.

II. RELEVANT STATUTORY PROVISIONS

1. Section 102c(c) of the Securities Act, MCL 451.2102c(c), defines "Security" in part as:

a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest in or based on the value of that put, call, straddle, option, or privilege on that security, certificate of deposit, or group or index of securities, put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, an investment in a viatical or life settlement agreement; or, in general, an interest or instrument commonly known as a "security"; or a certificate of

interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing...

(v) The term includes an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor. As used in this subparagraph, a "common enterprise" means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors...

2. Section 301 of the Securities Act, MCL 451.2301, states:

A person shall not offer or sell a security in this state unless 1 or more of the following are met:

- (a) The security is a federal covered security.
- (b) The security, transaction, or offer is exempted from registration under sections 201 to 203.
- (c) The security is registered under this act.

3. Section 501 of the Securities Act, MCL 451.2501, states:

It is unlawful for a person, in connection with the offer, sale, or purchase of a security or the organization or operation of a Michigan investment market under article 4A, to directly or indirectly do any of the following:

- (a) Employ a device, scheme, or artifice to defraud.
- (b) Make an untrue statement of a material fact or omit 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.
- (c) Engage in an act, practice, or course of business that operates or would operate as a fraud or deceit on another person.

4. Section 503(1) of the Securities Act, MCL 451.2503(1), states:

In a civil action or administrative proceeding under this act, a person claiming an exemption, exception, preemption, or exclusion has the burden to prove the applicability of the exemption, exception, preemption, or exclusions.

III. CONCLUSIONS OF LAW

1. Respondent, Glenn Mueller, through various affiliated entities including Northridge Holdings Ltd., Eastridge Holdings Ltd., and Unity Investment Group I, Ltd., offered and sold promissory note securities in Michigan, and has not identified a relevant exemption, exception, preemption, or exclusion from Securities Act registration requirements, contrary to section 301 of the Securities Act, MCL 451.2301.
2. Respondent, Glenn Mueller, through various affiliated entities including Northridge Holdings Ltd., Eastridge Holdings Ltd., and Unity Investment Group I, Ltd., misstated a material fact when he identified speculative promissory note securities as “CD alternatives” when in fact the promissory notes bore no resemblance to FDIC-insured certificates of deposit. The statement made comparing the notes to CDs was material and untrue in connection with the offer or sale of a security, contrary to section 501(b) of the Securities Act, MCL 451.2501(b).
3. Respondent, Glenn Mueller, through various affiliated entities including Northridge Holdings Ltd., Eastridge Holdings Ltd., and Unity Investment Group I, Ltd., omitted to state a material fact necessary to make other statements made not misleading when he described the promissory note investments as “safe” but failed to state that the investments carried a significant risk of loss for investors. The statement made describing the notes as “safe” was made in connection with the offer or sale of a security, was material, and became misleading when Respondent omitted to state that the note carried a significant risk of loss, contrary to section 501(b) of the Securities Act, MCL 451.2501(b).

IV. ORDER

IT IS THEREFORE ORDERED, pursuant to section 604 of the Securities Act, MCL 451.2604, that:

- A. Respondent shall immediately CEASE AND DESIST from continuing to offer or sell unregistered securities and from misstating and omitting to state material facts necessary to make other statements made not misleading in connection with the offer or sale of securities, contrary to the Securities Act.
- B. Pursuant to section 604(2) of the Securities Act, this Notice and Order to Cease and Desist is IMMEDIATELY EFFECTIVE.
- C. In a Final Order, the Administrator, under section 604(4) of the Securities Act, MCL 451.2604(4), intends to impose NO CIVIL FINE against Respondent. This

Notice and Order to Cease and Desist may become final pursuant to Section VI, below.

- D. Pursuant to section 508 of the Securities Act, MCL 451.2508, a person that willfully violates the Securities Act, or an order issued under the Securities Act, is guilty of a felony punishable by imprisonment for not more than 10 years or a fine of not more than \$500,000.00 for each violation, or both. An individual convicted of violating a rule or order under this act may be fined, but shall not be imprisoned, if the individual did not have knowledge of the rule or order.
- E. The Administrator retains the right to pursue further administrative action against Respondent under the Securities Act if the Administrator determines that such action is necessary and appropriate in the public interest, for the protection of investors and is authorized by the Securities Act.

V. NOTICE OF OPPORTUNITY FOR HEARING

Section 604 of the Securities Act, MCL 451.2604, provides that Respondent has 30 days beginning with the first day after the date of service of this Notice and Order to Cease and Desist to submit a written request to the Administrator asking that this matter be scheduled for a hearing. If the Administrator receives a written request in a timely manner, the Administrator shall schedule a hearing within 15 days after receipt of the request. The written request for a hearing must be addressed to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909

VI. ORDER FINAL ABSENT HEARING REQUEST

- A. Under section 604 of the Securities Act, MCL 451.2604, the Respondent's failure to submit a written request for a hearing to the Administrator within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law.
- B. Failure to comply with the terms of this Order within the time frames specified may result in additional administrative penalties, including the summary suspension or continued suspension of all registrations held by Respondent under the Securities Act, the denial of any registration renewal, and/or the denial of any future applications for registration, until full compliance is made. Respondent may voluntarily surrender or withdraw a registration under the Securities Act; however, the surrender or withdrawal will not negate the summary suspension or continued suspension of the relevant registrations or any additional administrative proceedings if a violation of this Order or the Securities Act occurred.

DEPARTMENT OF LICENSING & REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU



Stephen Brey, Administrative Law Specialist
On behalf of the Corporations, Securities
& Commercial Licensing Bureau

3/31/2020
Date