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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: William A. Sassman II
InTex, LLC
Formulating Insurance Agency, LLC
2386 Fair Oaks Blvd., Suite 111
Sacramento, California 95825

AMENDED DESIST AND REFRAIN ORDER
(For violation of sections 25110 and 25401 of the Corporations Code)

This Amended Desist and Refrain Order amends and supersedes the Desist and Refrain Order previously issued on February 21, 2006.

The California Corporations Commissioner finds that:

1. At all relevant times, William A. Sassman II is licensed by the State of California as a licensed insurance agent. Since March 2002, William A. Sassman II began working with Formulating Insurance Agency, LLC, a business entity located at 2386 Fair Oaks Blvd., Suite 111, Sacramento, California 95825.
2. William A. Sassman II was the owner of InTex, LLC, a California limited liability company formally located at 2443 Fair Oaks Blvd., Suite 320, Sacramento, California 95825.
3. Beginning in or about June 2000, William A. Sassman II, as Chief Executive Officer of InTex, LLC, offered or sold investments in the State of California in the form of investment contracts in InTex, LLC. The purpose of the InTex, LLC offering was to sell membership interests in the company in order to raise capital to produce, manufacture and sell a plastic computer peripheral product known as "Notefloat."

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4. Beginning in or about March 2002, William A. Sassman II offered or sold investments in Formulating Insurance Agency, LLC in the form of investment contracts. The purpose of Formulating Insurance Agency, LLC was to manage and service members' accounts with respect to the investment of stocks and options.

5. William A. Sassman II and Formulating Insurance Agency, LLC claim to offer financial planning, estate planning and insurance services to retired Californians. Due to the representations made by William A. Sassman II, retired Californians invested approximately \$55,000 in InTex, LLC. Investors did not receive a return on their investment.

6. William A. Sassman, II and Formulating Insurance Agency, LLC represented to investors that they could get 9-11% return on their investments in Formulating Insurance Agency, LLC. In some cases, the investor cashed out annuities or rolled over other investments into Formulating Insurance Agency, LLC. Over \$300,000 was invested in Formulating Insurance Agency, LLC. Not all investors achieved those level of returns.

7. These securities were offered or sold in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer or sell these securities in this state.

8. Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the investment contracts in InTex, LLC and Formulating Insurance Agency, LLC are securities subject to qualification under the California Corporate Securities Law of 1968 and have been offered or sold without being qualified in violation of Corporations Code section 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, William A. Sassman II, InTex, LLC, and Formulating Insurance Agency, LLC are hereby ordered to desist and refrain from the

1 further offer or sale of securities in the State of California, including but not limited to investment
2 contracts, unless and until qualification has been made under the law or unless exempt.

3
4 9. Further, the California Corporations Commissioner is of the opinion that the securities
5 representing investment contracts in Formulating Insurance Agency and InTex, LLC were offered or
6 sold in this State by means of written or oral communications which included an untrue statement of
7 a material fact or omitted to state a material fact necessary in order to make the statements made, in
8 the light of the circumstances under which they were made, not misleading, in violation of section
9 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate
10 Securities Law of 1968, William A. Sassman, Formulating Insurance Agency, LLC, and InTex, LLC
11 are hereby ordered to desist and refrain from offering or selling or buying or offering to buy any
12 security in the State of California, including but not limited to investment contracts, by means of any
13 written or oral communication which includes an untrue statement of a material fact or omits to state
14 a material fact necessary in order to make the statements made, in the light of circumstances under
15 which they were made, not misleading.

16
17 The California Corporations Commissioner finds that this Order is necessary or appropriate in
18 the public interest or for the protection of investors and consistent with the purposes fairly intended
19 by the policy and provisions of this law.

20
21 Dated: 7-20-2006
22 Sacramento, California



23
24 WAYNE STRUMPFER
25 Acting California Corporations Commissioner

26 By: _____
27 SHARON A. LUERAS
28 Lead Counsel
Enforcement Division

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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: William A. Sassman II
InTex, LLC
Formulating Insurance Agency, LLC
2386 Fair Oaks Blvd., Suite 111
Sacramento, California 95825

DESIST AND REFRAIN ORDER
(For violations of section 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, William A. Sassman II is a licensed insurance agent of the state of California working with Formulating Insurance Agency, LLC a business entity located at 2386 Fair Oaks Blvd., Suite 111, Sacramento, California 95825.
2. William A. Sassman II is the owner of InTex, LLC a California limited liability company formally located at 2443 Fair Oaks Blvd., Suite 320, Sacramento, California 95825.
3. Beginning in or about January 2002, William A. Sassman II, Formulating Insurance Agency, LLC, and InTex, LLC offered or sold investments, in the State of California in the form of investment contracts in InTex, LLC or Formulating Insurance Agency, LLC. The purported purpose of the offerings in Formulating Insurance Agency, LLC was for the “governing and servicing of activities related to the investment of stocks and bonds.” The purpose of the InTex, LLC offering was to sell membership interests in the company for the manufacturing of plastic computer hardware.

1 4. William A. Sassman II and Formulating Insurance Agency, LLC claim to offer financial
2 planning, estate planning and insurance services to elderly and retired Californians. Due to the
3 representations made by William A. Sassman II, Formulating Insurance Agency LLC, and InTex,
4 LLC, elderly Californians invested approximately \$400,114.00 in InTex, LLC or Formulating
5 Insurance Agency, LLC. In some cases the investor cashed out annuities or rolled over other
6 investments into Formulating Insurance Agency, LLC.

7
8 5. William A. Sassman II, Formulating Insurance Agency, LLC, and InTex, LLC represented to
9 investors that they could get 9-11% return on their investments in Formulating Insurance Agency,
10 LLC or InTex, LLC. However, many investors saw no returns at all.

11
12 6. These securities were offered or sold in this state in issuer transactions. The Department of
13 Corporations has not issued a permit or other form of qualification authorizing any person to offer or
14 sell these securities in this state.

15
16 Based upon the foregoing findings, the California Corporations Commissioner is of the
17 opinion that the investment contracts in Formulating Insurance Agency, LLC and InTex, LLC are
18 securities subject to qualification under the California Corporate Securities Law of 1968 and are
19 being or have been offered or sold without being qualified in violation of Corporations Code section
20 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, William A. Sassman II,
21 Formulating Insurance Agency, LLC and InTex, LLC are hereby ordered to desist and refrain from
22 the further offer or sale of securities in the State of California, including but not limited to investment
23 contracts, unless and until qualification has been made under the law or unless exempt.

24 Further, the California Corporations Commissioner is of the opinion that the securities
25 representing investment contracts in Formulating Insurance Agency, LLC or InTex, LLC were
26 offered or sold in this state by means of written or oral communications which included an untrue
27 statement of a material fact or omitted to state a material fact necessary in order to make the
28 statements made, in the light of the circumstances under which they were made, not misleading, in

