State of California - Department of Corporations

**STATE OF CALIFORNIA**

**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**

**DEPARTMENT OF CORPORATIONS**

TO: Victor Loras Weber
GEM Funding, LLC
1100 Russelman Park Road
Clayton, CA 94517

# DESIST AND REFRAIN ORDER

**(For violations of section 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. GEM Funding, LLC, ("GEM Funding") was formed in Oregon as a limited liability company on September 6, 2006 and dissolved on November 2, 2007. Victor Loras Weber ("Victor Weber") was president of GEM Funding. On April 10, 2007 GEM Funding, Inc. was formed as a California corporation with Victor Weber as its President. Victor Weber through his company CCR Insurance & Financial Services is licensed in California to act as an insurance agent. At all relevant times GEM Funding and Victor Weber have had business addresses of 1125 Adams Street, Suite A, Klamath Falls, Oregon 97601 and 1100 Russelman Park Road, Clayton, CA 94517.

2. Beginning before December 2006, Victor Weber and GEM Funding have offered and sold securities in the form of promissory notes.

3. The purported purpose of the solicitation and sale was to create a fund for premium financing of life insurance policies and would pay 19.65% interest over a two to five year period.

4. Victor Weber and GEM Funding engaged in general solicitations to offer these securities for sale to the public.

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

6. In connection with these offers and sales, Victor Weber and GEM Funding omitted to disclose material facts, specifically the following:

a.) On June 10, 2003 Victor Weber filed for Chapter 7 bankruptcy in the U.S. Bankruptcy Court Northern District of California, Petition number 03-43427.

b.) On December 23, 1993 Victor Weber filed for Chapter 7 bankruptcy in the U.S. Bankruptcy Court Northern District of California, Petition number 93-48953.

Based on the forgoing findings, the California Corporations Commissioner is of the opinion that the investments offered by Victor Loras Weber and GEM Funding, LLC, constitute securities, which are subject to qualification under the California Corporate Securities Law of 1968, and that these securities have been and are being offered and sold without being qualified, and are not exempt, in violation of Corporations Code section 25110.

Pursuant to Corporations Code section 25532, Victor Loras Weber and GEM Funding, LLC, are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including but not limited to promissory notes, unless and until qualification has been made under the law or unless exempt.

Based on the forgoing findings, the California Corporations Commissioner is of the further opinion that securities were offered by means of written or oral communications that failed to disclose material facts in violation of 25401 of the Corporations Code.

Pursuant to Corporations Code section 25532, Victor Loras Weber and GEM Funding, LLC, are hereby ordered to desist and refrain from offering or selling or buying or offering to buy securities in this state, including but not limited to promissory notes, by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: November 18, 2009
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
ALAN S. WEINGER
Deputy Commissioner



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