

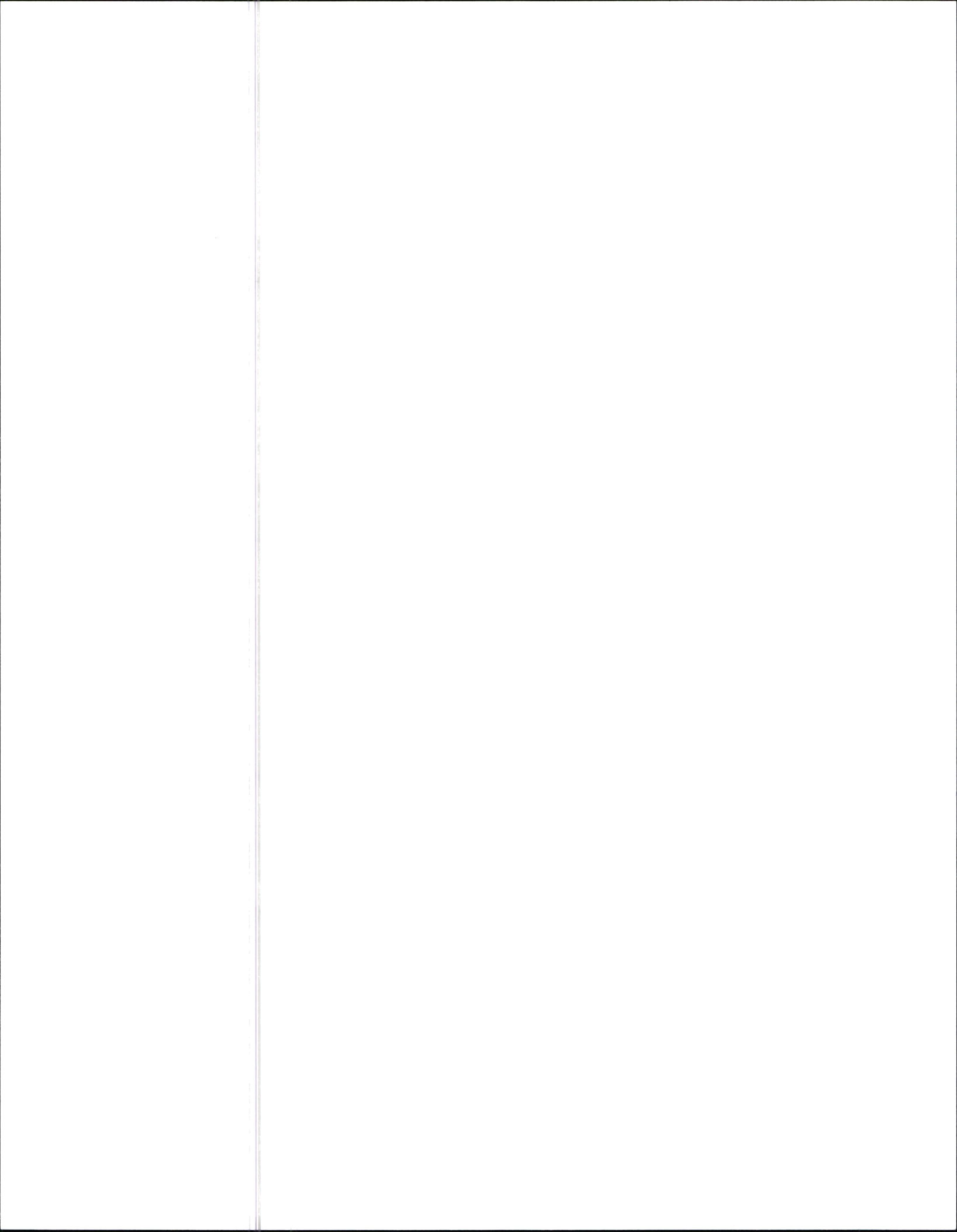
**STATE OF NEBRASKA**  
**Department of Banking & Finance**

In the Matter of	)	
	)	FINDINGS OF FACT
Wesleyan Investment Foundation, Inc.	)	CONCLUSIONS OF LAW
13300 Olio Road	)	AND
Fishers, Indiana	)	CONSENT ORDER
	)	

THIS MATTER comes before the Nebraska Department of Banking and Finance (“Department”), by and through its Director, pursuant to its authority under the Securities Act of Nebraska, Neb. Rev. Stat. §§ 8-1101 to 8-1123 (Reissue 2012; Cum. Supp. 2020; Supp. 2021) (“Act”). Pursuant to Neb. Rev. Stat. § 8-1115 (Reissue 2012), the Department has investigated the acts of Wesleyan Investment Foundation, Inc., 13300 Olio Road, Fishers, Indiana (“WIF”). As a result of such investigation, and being fully advised and informed in the matter, the Director and WIF enter into the following Findings of Fact, Conclusions of Law and Consent Order (“Order”).

**FINDINGS OF FACT**

1. WIF is a non-profit corporation organized pursuant to the laws of Indiana. At all times relevant hereto, WIF was not registered as a broker-dealer in Nebraska.
2. On February 23, 2022, WIF filed an application for registration as a broker-dealer in Nebraska.
3. WIF offers unsecured debt securities that bear an interest rate akin to a savings account and are fully redeemable upon the investor’s demand (“Demand Instruments”). WIF disclosed to the Department that it had sold \$3,948,113.74 Demand Instruments to 58 investors in Nebraska between 1968 and 2021.



4. WIF represented to the Department that the Demand Instruments qualify for the exemption from registration for securities issued by nonprofit organizations pursuant to Neb. Rev. Stat. § 8-1110(8) (Cum. Supp. 2020).

5. WIF further represented to the Department that it had been advised that no further registration requirement was necessary in Nebraska, and that it sought registration as soon as it learned that it was required to register as a broker-dealer to offer the Demand Instruments in Nebraska.

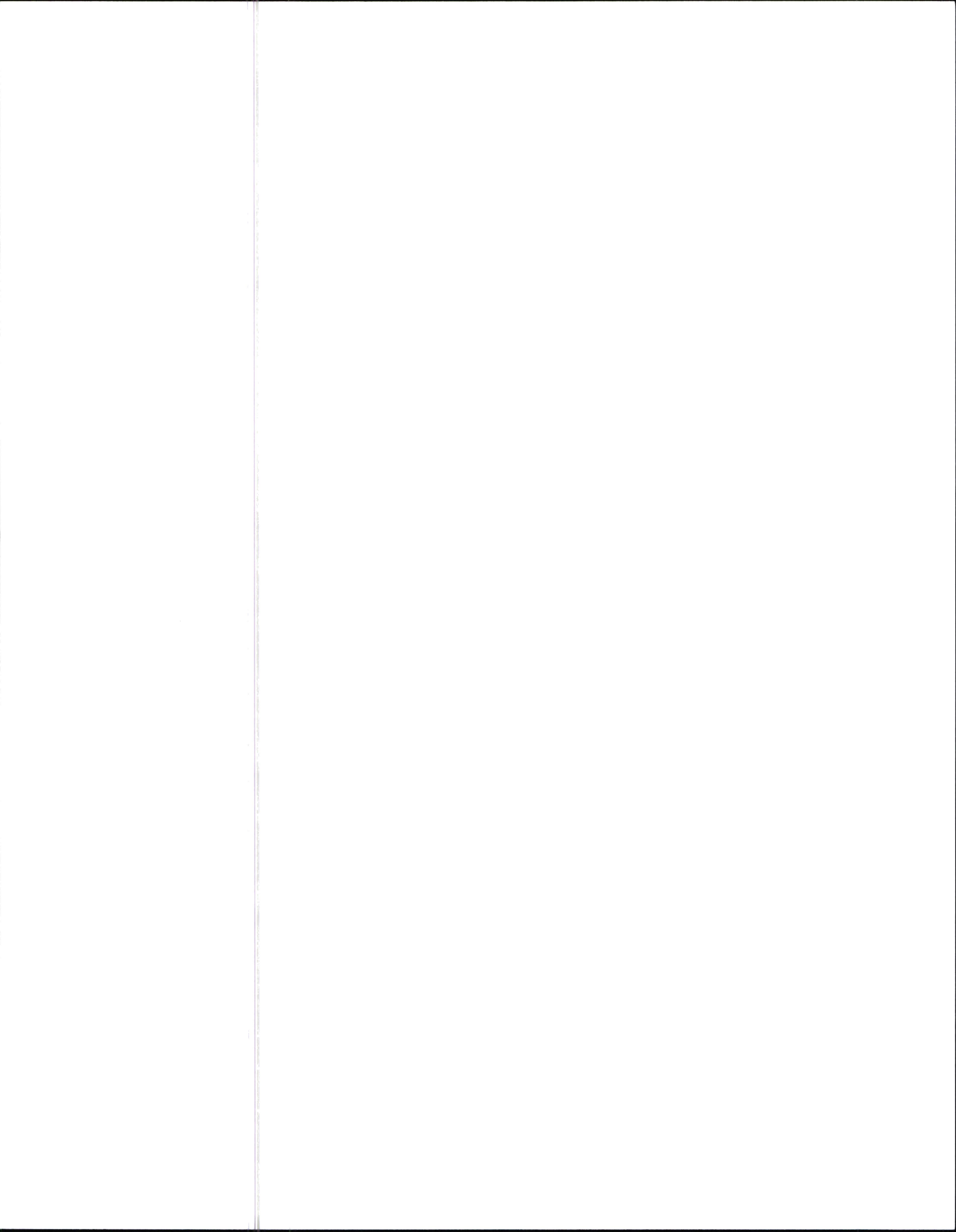
### **CONCLUSIONS OF LAW**

1. Neb. Rev. Stat. § 8-1101(2) (Supp. 2021) defines broker-dealer as “any person engaged in the business of effecting transactions in securities for the account of others or for his or her own account.”

2. Neb. Rev. Stat. § 8-1103(1) (Cum. Supp. 2020) provides that it shall be unlawful for any person to transact business in this state as a broker-dealer unless registered or exempt from registration under the Act.

3. The facts set forth in Findings of Fact Nos. 1 through 5 constitute WIF acting as a broker-dealer without registration, in violation of Neb. Rev. Stat. § 8-1103(1). Each sale of a Demand Instrument constitutes a separate violation of the Act.

4. Neb. Rev. Stat. § 8-1108.01(4) (Cum. Supp. 2020) provides that the Director may, after giving reasonable notice and an opportunity for a hearing under this section, impose a fine not to exceed twenty-five thousand dollars per violation, in addition to costs of the investigation, upon any person found to have engaged in any act or practice which would constitute a violation of the Act or any rule, regulation, or order issued under the Act.





5. Under the Act's statutory framework, the Director has legal and equitable authority to fashion significant protective remedies.

6. It is in the best interest of WIF, and it is in the public's best interest, for WIF and the Director to mutually resolve the issues included herein.

### **STIPULATIONS**

In connection with this Consent Order, WIF and the Director stipulate to the following:

1. The Department has jurisdiction as to all matters herein.

2. This Consent Order shall resolve all matters between the Department and WIF in connection with the Findings of Fact listed above. Should future circumstances warrant, the facts from this matter may be considered in a future administrative action by the Department.

WIF further represents as follows:

1. WIF is aware of its right to a hearing on these matters at which it may be represented by counsel, present evidence, and cross-examine witnesses. The right to such a hearing, and any related appeal, is irrevocably waived.

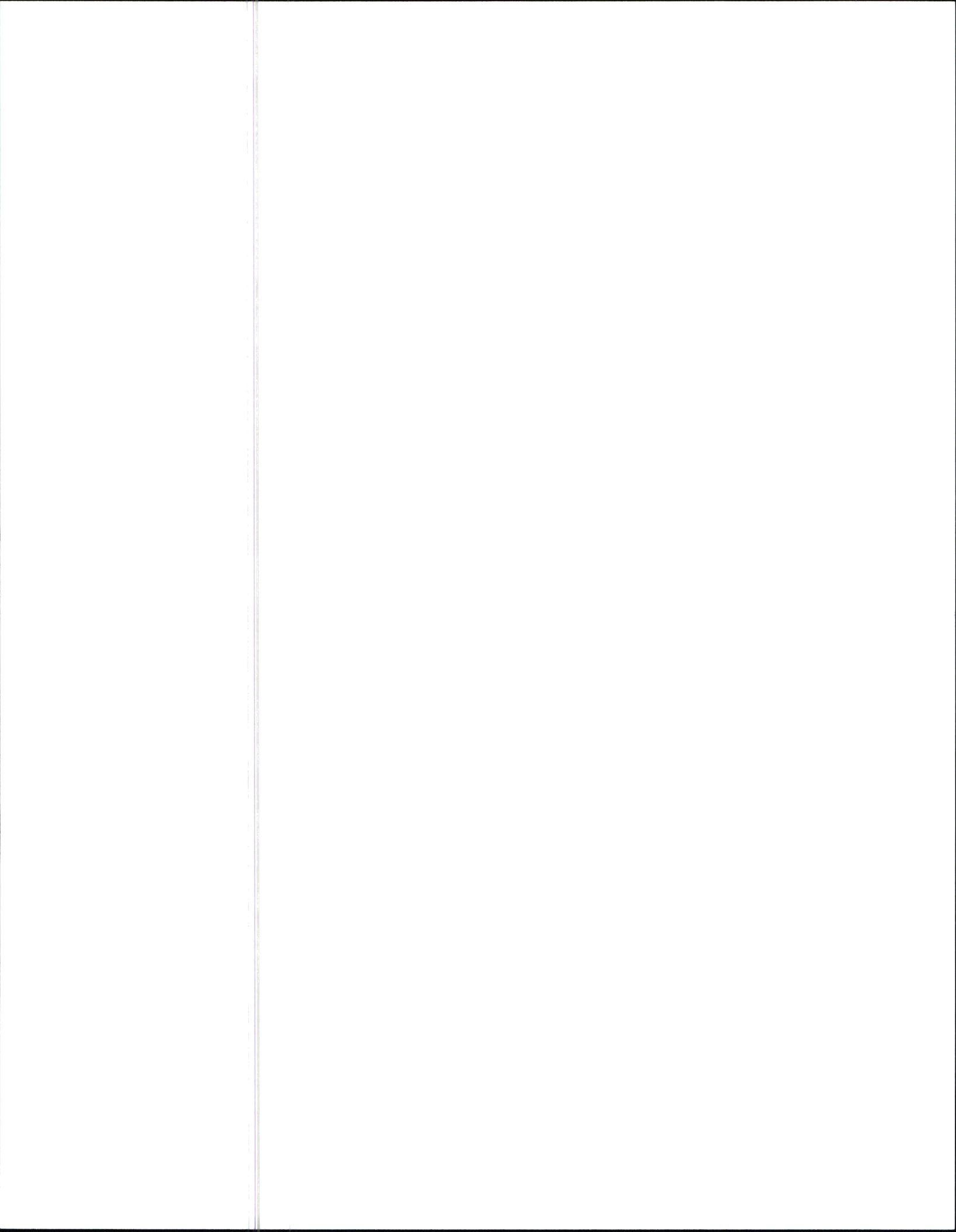
2. WIF is acting free from any duress or coercion of any kind or nature.

3. This Consent Order is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for the purpose of this Consent Order and for no other purpose.

### **CONSENT ORDER**

IT IS THEREFORE ORDERED as follows:

1. Within ten days after the effective date of this Consent Order, WIF shall pay a fine of Twenty Thousand Dollars (\$20,000.00) for its violations of Neb. Rev. Stat. § 8-1103(1) by acting as a broker-dealer without registering with the Department.



2. Within ten days after the effective date of this Consent Order, WIF shall pay the investigation costs of the Department in the amount of Two Thousand Dollars (\$2,000.00).

3. The total amount of the fines and investigation costs, Twenty-two Thousand Dollars (\$22,000.00) shall be paid by one check payable to the Department within ten days after the effective date of this Consent Order.

4. WIF's application for registration as a broker-dealer shall be approved no later than five business days after the Department's receipt of such fine and costs. Such registration shall expire on December 31, 2022, pursuant to Neb. Rev. Stat. § 8-1103 (Cum. Supp. 2020), unless renewed.

5. In the event WIF fails to comply with any of the provisions of this Consent Order, the Department may commence such action regarding WIF as it deems necessary and appropriate in the public interest.

6. The effective date of this Consent Order shall be the date of the Director's signature.

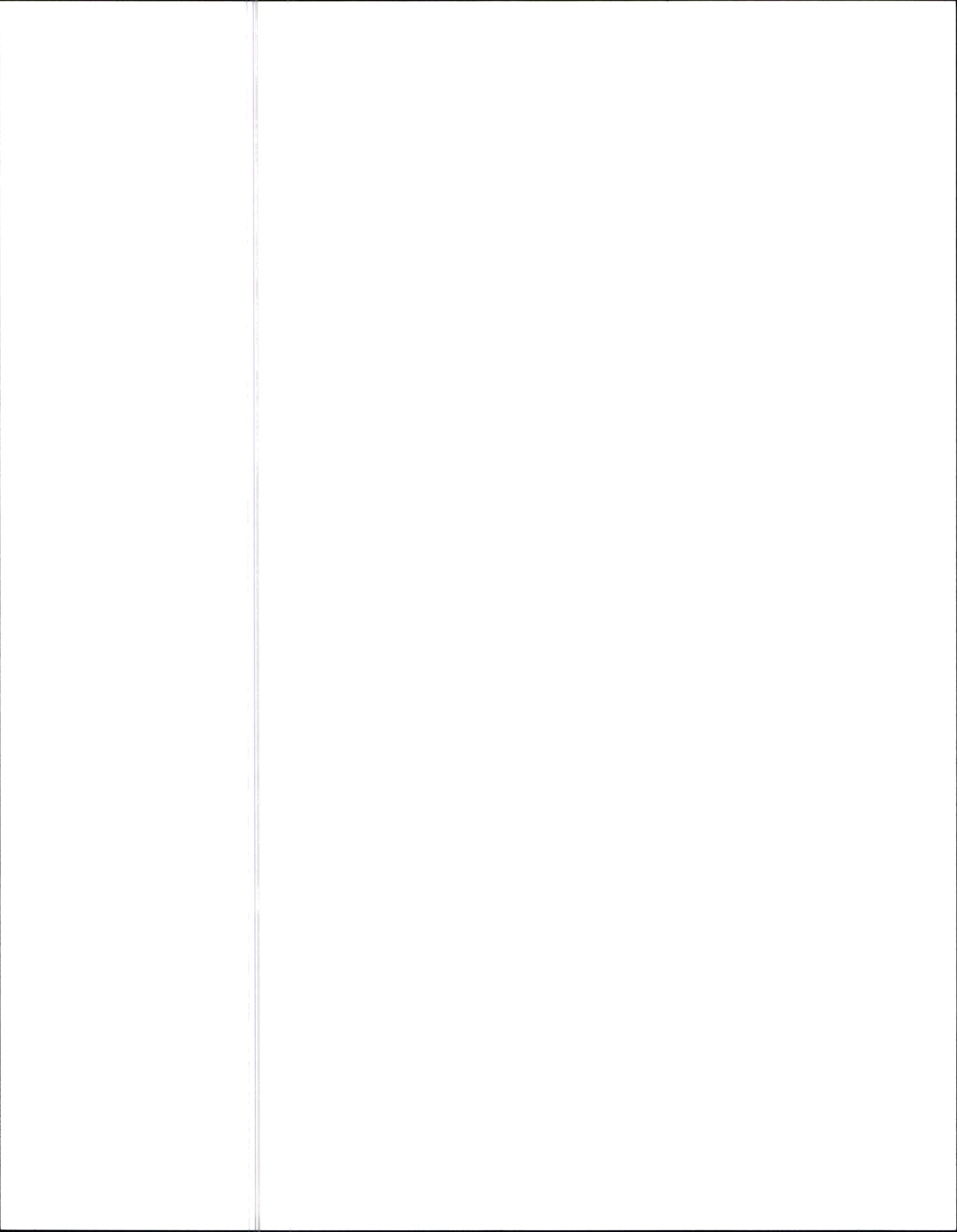
DATED this 30<sup>th</sup> day of March, 2022.

**WESLEYAN INVESTMENT FOUNDATION, INC.**

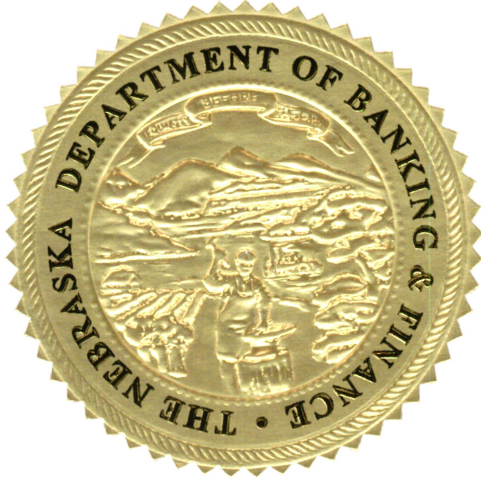


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Dr. Craig A. Dunn, Chief Executive Officer  
13300 Olio Road  
Fishers, Indiana 46037  
(317) 774-7300



DATED this 4<sup>th</sup> day of April, 2022



**STATE OF NEBRASKA  
DEPARTMENT OF BANKING AND FINANCE**

By: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "Kelly Lammers", is written over a horizontal line.

Kelly Lammers, Director

1526 K Street, Suite 300  
Lincoln, Nebraska 68508  
(402) 471-2171

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