

Individual shareholder agreements varied, but most allowed the purchaser to have twenty six (26) weeks free child care with a lower rate for care after twenty six (26) weeks. Investors without children receiving care were to receive a monthly return of a certain dollar amount based upon the number of shares purchased.

5. Some investors received the free and discounted child care services pursuant to their individual shareholders agreement. However, to date, there is no evidence that investors have received the purported return on their investment or have received back their initial payment.

6. Mulhern made misrepresentations and omissions of material fact to investor(s) including, but not limited to, the following:

a. misrepresented the investment risk(s) being taken by investors in Imagination and Education Station LLC and Imagination Early Learning Center;

b. misrepresented the returns being earned by investors on their investment in Imagination and Education Station LLC and Imagination Early Learning Center;

c. failed to disclose to investors the scope of the investor's risk;

d. failed to disclose to investors an adequate accounting of how investor funds were expended;

e. failed to adequately disclose to investors the investment experience and qualifications of Mulhern.

Violations of Securities Act

Count 1

Unregistered Securities

7. Paragraphs 1 – 6 are incorporated herein by reference.

8. Mulhern has offered or sold, or has participated in the offer or sale of unregistered shares of stock.

9. These shares of stock are securities within the meaning of Iowa Code § 502.102(28) (2011).

10. The securities promoted Mulhern were not registered with the Iowa Securities Bureau pursuant to Iowa Code §§ 502.303, 502.304 or 502.304A (2011), nor were they federally covered securities.

11. Therefore, Mulhern has violated Iowa Code § 502.301 (2011), by offering and/or selling unregistered and non-federal covered securities in Iowa and should be ordered to cease and desist.

Count II

Unregistered Securities Agent

12. Paragraphs 1 – 11 are incorporated herein by reference.

13. Mulhern is not and has not been registered as a securities agent with the Iowa Securities Bureau.

14. Mulhern acted as unregistered agents in violation of Iowa Code § 502.402 (2011).

15. Therefore, Mulhern, has violated Iowa Code § 502.402 (2011) and should be ordered to cease and desist.

Count III

Misrepresentations

16. Paragraphs 1 - 15 are incorporated herein by reference.

17. Mulhern has made untrue statements of material fact in the sale of securities.

18. Therefore, Mulhern has violated Iowa Code § 502.501 (2011) by making untrue statements of material facts and should be ordered to cease and desist.

Count IV

Omissions

19. Paragraphs 1 - 18 are incorporated herein by reference.

20. Mulhern has made omissions of material fact in the sale of securities.

21. The omission of these material facts, in light of the circumstances surrounding the sale of securities, is misleading.

22. Therefore, Mulhern has violated Iowa Code § 502.501 (2011) by failing to state material facts, and should be ordered to cease and desist.

ORDERS

WHEREFORE, IT IS HEREBY ORDERED pursuant to the powers granted to the Commissioner of Insurance by Iowa Code §§ 502.604 (2011) as follows:

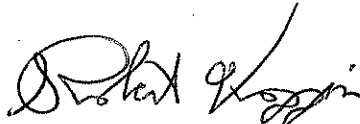
A. Mulhern shall Cease and Desist the offer or sale of, aiding and abetting the offer or sale of, and participating in the offer or sale of the securities described above or any other securities in the State of Iowa while those securities are unregistered, non-exempt and not federal covered securities, in violation of Iowa Code § 502.301 (2011).

B. Mulhern shall Cease and Desist acting as an unregistered agent in violation of Iowa Code § 502.402 (2011).

C. Mulhern shall Cease and Desist making untrue statements of material facts, and failing to state material facts, in violation of Iowa Code § 502.501 (2011).

Dated this 17th day of February, 2012.

Iowa Insurance Division



by ROBERT KOPPIN
Enforcement Bureau Chief

CONSENT TO ORDER

I, Theresa Mulhern, have read, understood, and do knowingly consent to the entry of this Consent Order in its entirety. I acknowledge and understand the following:

- 1) By entering into this Consent Order, I voluntarily waive any rights to a contested case hearing on the allegations contained herein and all attendant rights, including the right to seek judicial review.
- 2) This Consent Order is a public record pursuant to Iowa Code Chapter 22 (2011), and a copy will be posted to the Division's web site.
- 3) A certified copy of this Consent Order may be filed with the clerk of court of competent jurisdiction. The Consent Order so filed has the same effect as a judgment of the court and may be recorded, enforced, or satisfied in the same manner as a judgment of the court pursuant to Iowa Code §502.604(6) (2011).
- 4) Any person who willfully violates this order may be deemed in contempt of the order pursuant to Iowa Code § 502.604(7). The administrator may petition the district court to hold a hearing to enforce the order as certified by the administrator. The district court may assess a civil penalty against the person in an amount not less than three thousand dollars but not greater than ten thousand dollars per violation and may issue further orders as it deems appropriate.

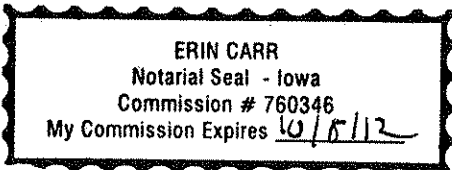
Dated this 2nd day of February, 2012.

Theresa Mulhern
Theresa Mulhern

Subscribed and sworn before me on this 2 day of February, 2012.

E. Carr

Notary Public for the state of Iowa



Copies to:

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Des Moines, IA 50309
ATTORNEY FOR THERESA MULHERN

