

**COMMONWEALTH OF KENTUCKY
OFFICE OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES**

IN THE MATTER OF:)
)
Amerihome Investment Corporation)
a/k/a Amerihome Investments Corporation)
616 Wellington Way, Suite C)
Lexington, Kentucky 40503)
)
Amerihome Senior Living LLC)
616 Wellington Way, Suite C)
Lexington, Kentucky 40503)
)
Ronald R. Johnston, personally)
)
Respondents)

AGREED ORDER

Case S-06-048

PRELIMINARY

1) Pursuant to KRS 292.500(1) and 292.500(3), the Executive Director (“Executive Director”) of the Office of Financial Institutions (“Office”) is charged with the administration and enforcement of KRS Chapter 292, the Securities Act of Kentucky, (“Act”).

2) Pursuant to KRS 292.460, the Executive Director has the power to make such public or private investigations within or outside of the Commonwealth of Kentucky as he deems necessary to determine whether any registration should be granted, denied, or revoked or whether any person has violated or is about to violate any provision of the Act or the regulations promulgated and Orders entered pursuant to the Act.

3) Pursuant to KRS 292.460, the Executive Director has caused an investigation to be made by the staff of the Office to determine whether the Respondent(s) or any one or several of them are about to violate or have violated the Act.

FACTS

4) An investigation has begun and has progressed to the point where certain facts are apparent and allegations can be made as to whether violations of the Act are about to occur or have occurred. However, the Respondents, without admitting or denying the allegations, have agreed to a settlement which would be in the public interest for the protection of investors.

5) Respondents are Ronald R. Johnston, Amerihome Investment Corporation a/k/a Amerihome Investments Corporation, and Amerihome Senior Living LLC. Respondents were accused of violating the Act. Wherever the context herein requires, the term, "Respondents," shall refer to all respondents collectively.

6) Upon information and belief, Ronald R. Johnston, Amerihome Investment Corporation a/k/a Amerihome Investments Corporation, and Amerihome Senior Living LLC, or one or several of them, acting alone or in concert, offered and sold securities without having first registered same pursuant to KRS 292.340 or having claimed an exemption from the registration thereof. Allegations were also made against Respondents that they failed to make full and proper disclosure in the offer and sale of said securities as required by KRS 292.320 and/or that they made false or misleading statements in connection with said offers and sales of securities. Nevertheless, Respondent Ron R. Johnston assured the Office that any violations were inadvertent and that he would take steps to assure compliance with the securities laws in the future. Respondent Ron R.

Johnston further provided the Office with documentation for the money raised from the sale of securities and for its expenditure since being raised. Respondent Ron R. Johnston was advised by the Office that certain aspects of his conduct could be in violation of the Act, particularly the act of posting or permitting another under his supervision to post information on an Internet website that indicated that securities were for sale to the general public. The Office further advised Respondent Ron R. Johnston that, absent full registration of both the interests purported to be offered and sold through the Internet posting, he could not continue to allow the posting. Pursuant to the directive of the Office, Respondent Ron R. Johnston did immediately remove the Internet posting or cause it to be removed.

7) Respondent Ron R. Johnston agrees not to engage in any conduct that violates the Act, to comply with the Act and all regulations and administrative orders issued pursuant to the Act, and to obtain any registrations or licenses required pursuant to the Act prior to engaging in any conduct that requires such registration or license. Ron R. Johnston's agreement is in return for the Executive Director refraining from bringing charges against further on allegations against him for violations of the Act and from seeking all of the sanctions available to the Executive Director for such violations of the Act, including more severe sanctions. Ron R. Johnston's agreement further avoids his admitting or denying the allegations against him and avoids the allegations becoming adjudicated facts. The Executive Director has taken the position that, by his acceptance of the offer, Respondent Ron R. Johnston would not be a threat to the public, provided that he honors the agreement and an Administrative Order is entered to carry it out, and that it

would not be in the public interest to seek maximum sanctions against said Respondent. The agreement to settle referenced herein binds all the Respondents.

8) Ron R. Johnston expressly states that he has read and is aware of the statements and allegations contained in this Agreed Order, and that he affixes his signature with full and complete knowledge of his right to demand a hearing in lieu thereof, at which hearing he would be entitled to be represented by an attorney, to confront and cross-examine witnesses for the Office, and to present evidence on his own behalf. Ron R. Johnston expressly waives any right to a hearing and any right to appeal of same to which he may be otherwise entitled. Ron R. Johnston consents to and acknowledges the Office's jurisdiction over this matter. Respondent Ron R. Johnston also speaks for and binds the other Respondents herein through his statements and actions.

9) Respondents acknowledge and agree as follows with respect to this matter:

a) Respondents understand that, if they violate this Agreed Order, the Executive Director may file an action in Franklin Circuit Court for an Order of Injunction to enforce this Agreed Order, said Court Order containing the same terms as this Agreed Order, pursuant to CR 65. Respondents hereby admit to the jurisdiction of the Court and consent to entry of the injunctive relief by the Franklin Circuit Court or any other court of competent jurisdiction, upon application for same by the Executive Director.

b) Respondents understand that there might be significant delay by the Executive Director in filing for injunctive relief in Circuit Court in this matter and consent to any delay by the Executive Director in such filing for injunctive relief and/or enforcement by the Circuit Court. Respondents understand and agree that any delay in presenting this Agreed Order to the Circuit Court or delay in its entry by the Circuit Court

shall not be construed as an indication that anything less than a permanent injunction is adequate for protection of the public.

c) Respondents know and understand that, by executing this Agreed Order, it shall be posted on the Internet in full. Respondents consent to the posting of this Agreed Order on the Internet and waive any objections thereto.

d) Respondent Ron R. Johnston is bound to all terms of this Agreed Order in his personal capacity independent of the entity (or entities) utilized herein or to be utilized, and this Agreed Order may be enforced against him with or without the addition of said entity or entities as a party.

e) Respondent Ron R. Johnston shall take steps to ascertain in advance whether contemplated conduct or a contemplated transaction or series of transactions would violate this Agreed Order or the Act. Such steps shall include contacting the Office for an opinion regarding the contemplated conduct or transaction(s). In the event that he determines that an exemption from registration is available and that the exemption is self-executing, he shall submit a letter to the Office summarizing the contemplated transaction and stating that he intends to rely on the exemption. This provision does not require that he make a filing for a self-executing exemption, that he give any more formal notice of his intent to rely on such an exemption, or that he obtain approval from the Office. Nevertheless, this provision is not to be interpreted to relieve Mr. Johnston from making all required filings should an offering require a filing of any kind.

f) Respondent Ron R. Johnston shall be assessed and shall pay a civil fine to the Commonwealth of Kentucky in the amount of ***Two Thousand, Five Hundred Dollars*** (\$2,500.00).

NOW, THEREFORE, upon mutual Agreement of the Executive Director and Respondents,

IT IS HEREBY ORDERED THAT:

1) Respondents Ronald R. Johnston, Amerihome Investment Corporation a/k/a Amerihome Investments Corporation, and Amerihome Senior Living LLC shall not violate the Securities Act of Kentucky in the future. In addition, the Respondents shall not violate the regulations enacted under the Securities Act of Kentucky or the Orders of the Executive Directors of the Office or the Commissioners of the Department of Financial Institutions that remain in force.

2) Respondents Ronald R. Johnston, Amerihome Investment Corporation a/k/a Amerihome Investments Corporation, and Amerihome Senior Living LLC shall not offer or sell securities unless such securities are properly registered or an exemption from registration is obtained and any steps necessary to perfect such exemption are completed. Securities include any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, viatical settlement investment, voting-trust certificate, certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; or, in general, any interest or instrument commonly known as a "security," or any certificate of interest in 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.

3) Respondents shall not offer or sell such securities from Kentucky to non-Kentucky residents or to Kentucky residents, nor shall any of them offer or sell such

securities and/or interests from outside Kentucky to residents of Kentucky, unless such securities are registered pursuant to the Act (KRS 292.340) or properly exempted from the registration requirements of the Act. Furthermore, Respondents shall not offer or sell securities unless any person offering or selling same is properly registered pursuant to KRS 292.330 to offer and sell such securities. Securities shall include, but not be limited to, interests in the form of partnerships, limited partnerships, joint ventures, corporations, and limited liability companies.

4) Respondent Ron R. Johnston shall not be an officer, director, manager, or other such control person of any entity that offers or sells securities and/or investments from Kentucky to non-Kentucky residents or to Kentucky residents or which offers or sells such securities and/or interests from outside Kentucky to Kentucky residents unless such securities are properly registered pursuant to the Act or properly exempted from the registration requirements of the Act, with any and all steps necessary to perfect such exemption being done.

5) Respondent Ron R. Johnston shall not receive any kind of compensation based on sales, including commissions, or remunerations, or financial benefits from the offer or sale of any securities or investments from Kentucky to non-Kentucky residents or to Kentucky residents or from the offer or sale of such securities and/or interests from outside Kentucky to Kentucky residents unless he is properly registered to offer and sell securities pursuant to KRS 292.330.

6) Respondent Ron R. Johnston shall pay a civil fine to the Commonwealth of Kentucky in the amount of *Two Thousand, Five Hundred Dollars* (\$2,500.00), payable to

the Kentucky State Treasurer, no later than thirty (30) days after the entry date of this agreed order.

IT IS FURTHER ORDERED THAT:

7) Respondent Ron R. Johnston shall not receive compensation, remuneration, dividends, gains, or income of any sort whatsoever through any company or entity that he would not be permitted to receive directly pursuant to the terms of this Order.

8) Notwithstanding other language herein, the Respondent Ron R. Johnston may contact the Executive Director or successor thereto, in writing, and enter into a written agreement that expressly permits an activity. If agreed to by both parties, in writing, that activity shall be excepted from the prohibitions of this Order. No such activity shall be permitted, however, unless it is memorialized in a written agreement executed by both parties in this matter.

9) Respondent Ron R. Johnston is not barred from applying for any registrations that exist under the Act or any exemptions from such registrations, provided he otherwise meets all of the requirements and terms and complies with all applicable laws and regulations. Additionally, the other Respondents are not barred from applying for any registrations that exist under the Act or any exemptions from such registrations, provided they otherwise meet all of the requirements and terms and comply with all applicable laws and regulations.

10) In the event that Ron R. Johnston were to engage in conduct in violation of the Act that is outside the conduct encompassed by this Agreed Order in the future, or if he did so in the past unbeknownst to the Office and not encompassed in the underlying allegations herein, such violations may be viewed negatively in any attempt by Ron R.

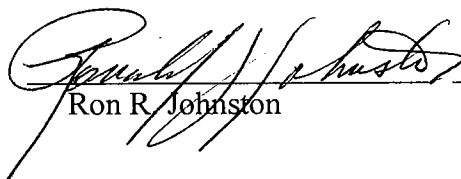
Johnston to obtain a registration under the Act or to claim an exemption under the Act. Also, in such an instance of multiple violations (past, future, or both), if it actually occurred, all of that activity could be used by the Office to infer or show a pattern of conduct with even the allegations herein being viewed or considered negatively towards Ron R. Johnston. Nevertheless, the mere fact that this Agreed Order was entered, or that the underlying allegations occurred, shall not be construed as a bar or barrier to Ron R. Johnston in his personal capacity seeking and obtaining registrations under the Act or exemptions from any registrations under the act, or from engaging in any aspect of the securities business so long as he is in compliance with the Act and otherwise meets any requirements or qualifications set by the Act for his actions. Absent either violations in the past that are unbeknownst to the Office now, or future violations, Ron R. Johnston will not have the allegations in this matter viewed negatively in any application he makes with the Office. Nevertheless, this clause shall not be construed as any assurance or guarantee that an application made by Ron R. Johnston with the Office will be granted.

Entered and signed this 10th day of April, 2007.


Executive Director
Office of Financial Institutions

AGREED TO this the 4 day of ~~March~~ ^{April}, 2007.

Amerihome Investment Corporation a/k/a
Amerihome Investments Corporation


Ron R. Johnston
Date 4/4/07

By *Ron R. Johnston* 4/4/07
Date
Amerihome Senior Living LLC

By *Ron R. Johnston* 4/4/07
Date

ACKNOWLEDGMENT

County of: FAYETTE

State of Commonwealth of Kentucky

On this 4th day of APRIL, 2007, Ron R. Johnston personally appeared before me and acknowledged to me that he freely signed this Agreed Order on behalf of himself in his personal capacity as well as in any other capacity indicated herein for the named entities.

Betty J. Tester
Notary Public STATE AT LARGE

My Commission Expires: 9/16/2007

HAVE SEEN AND AGREED TO:

June M. King 4/3/07
Attorney for Respondent (if applicable) Date

William E. Doyle 4/10/07
Attorney for Executive Director Date