

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:)	
DARCEY L. FOLKERTS,)	
ROBERT McAVOY,)	
AND)	No 1000038
FULL CIRCLE STRATEGIES, LTD.)	
AND)	
MEGA CASH FLOW INVESTMENTS, INC.,)	
their partners, officers and directors, agents,)	
employees, affiliates, members, successors and assigns.)	

AMENDED NOTICE OF HEARING

TO RESPONDENTS: **Darcey L. Folkerts,**
 Robert McAvoy
 Full Circle Strategies, Ltd.
 and
 Mega Cash Flow Investments, Inc.
 17550 Williamsburg Drive
 Plainfield, Illinois 60586

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 18th day of April, 2011 at the hour of 10:00 a.m. or as soon thereafter as possible before James Kopecky, Esq. or such other designated Hearing Officer as the Secretary of State may appoint.

Said hearing will be held to determine whether a permanent Order shall be entered prohibiting Respondents **Darcey L. Folkerts, Robert McAvoy, Full Circle Strategies, Ltd. and Mega Cash Flow Investments, Inc.** and their partners, officers and directors, agents and employees, affiliates, members, successors and assigns from offering or selling securities in or from the State of Illinois and/or granting such other relief as may be authorized under the Act, including but not limited to, the imposition of a monetary fine in the maximum amount pursuant to Sec. 11.E(4) of the Act, payable within ten (10) days of the Order.

The grounds for such proposed action are as follows:

I. MEGA CASH FLOW INVESTMENTS, INC.

1. Respondent Darcey L. Folkerts (also "Folkerts" or collectively with Robert McAvoy, and Mega Cash Flow Investments, Inc "Respondents") has a last known address of 17550 Williamsburg Drive, Plainfield, Illinois 60586.
2. Respondent Robert McAvoy (also "McAvoy" or collectively with Folkerts, and Mega Cash Flow Investments, Inc., "Respondents") has a last known address of 17550 Williamsburg Drive, Plainfield, Illinois 60586.
3. Respondent Mega Cash Flow Investments, Inc. (also "Mega" or collectively with Folkerts, and McAvoy, "Respondents") at all relevant times herein was an Illinois corporation that was involuntarily dissolved on November 9, 2007; and has a last known address of 17550 Williamsburg Drive, Plainfield, Illinois 60586.
4. McAvoy was a director, and the president and registered agent of Mega.
5. Folkerts was an officer and agent of Mega.
6. In January 2007 McAvoy and Folkerts solicited at least one Illinois resident ("Investor #1") to enter into a written "Joint Venture Agreement" ("Agreement #1") with McAvoy and Folkerts in which Investor #1 would invest \$50,000 in Mega, and in consideration Respondents McAvoy, Folkerts and Mega promised to use the money to "find and purchase properties", and to provide other services necessary to repair, advertise and market the properties for sale
7. McAvoy and Folkerts promised, *inter alia*, that Investor #1 was to be paid 14% interest per annum with the first payment due in January 2008, and the principal of \$50,000 to be repaid thereafter.
8. On February 2, 2007 Investor #1 gave McAvoy, Folkerts and Mega a check in the amount of \$50,000 payable to "Mega Cash Investments, Inc"; and the check was endorsed by McAvoy, deposited by Respondents into Respondents' bank, and payment was on the check consummated.
9. The activities described above in paragraphs 5-6 constitute the offer and sale of an investment contract and are therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

Failure to Register Securities

10. Section 5 of the Act provides, *inter alia* that all securities except those exempt under Section 3 or those offered and sold under Section 4 shall be registered

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either by coordination or by qualification prior to their offer or sale in the State of Illinois.

11. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
12. Section 12.A of the Act provides *inter alia* that it shall be a violation for any person to offer and sell any security except in accordance with the provisions of the Act.
13. Section 12.D of the Act provides *inter alia* that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
14. By virtue of the foregoing Respondents McAvoy, Folkerts and Mega have violated Sections 12.A and 12.D of the Act.

Fraud

15. Respondents McAvoy, Folkerts and Mega did not “find and purchase properties”, and failed to provide other services necessary to repair, advertise and market the properties for sale, according to the terms of the investment contract, but instead converted Investor #1’s \$50,000 to their own personal and other business use and benefit.
16. Respondents McAvoy, Folkerts and Mega failed and refused to notify Investor #1 that they were converting the \$50,000 to their own use and benefit, instead of using it as promised for the business purpose to “find and purchase properties”, and to repair, advertise and market the properties for sale.
17. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof”.
18. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading”.
19. Section 12.I of the Act provides, *inter alia*, that it shall be a violation for any person, “to employ any device, scheme or artifice, to defraud in connection with the sale or purchase of any security, directly or indirectly”.

20. By virtue of the foregoing, Respondents violated Sections 12.F, 12.G and 12.I of the Act.

II. FULL CIRCLE STRATEGIES, LTD.

21. Respondent Full Circle Strategies, Ltd. (also "Full Circle" or collectively with Folkerts, and McAvoy, "Respondents") at all relevant times herein was an Illinois limited liability company that was involuntarily dissolved on March 11, 2011; and has a last known address of 17550 Williamsburg Drive, Plainfield, Illinois 60586.
22. Folkerts was a director, and the president and registered agent of Full Circle.
23. McAvoy was an officer and agent of Full Circle.
24. In April, 2009 McAvoy and Folkerts solicited at least one Illinois residents ("Investor #2") to enter into a written "Joint Venture Agreement" ("Agreement") with Respondents in which Investor #2 would invest \$80,000 in Full Circle and the Respondents would use the money to "arrange for the acquisition of a banking platform" and to "manage the banking platform" and to "collect income" and to provide other collateral services regarding the banking platform.
25. On April 17, 2009 Investor #2 gave Respondents a check in the amount of \$80,000 payable to "Full Circle Strategies, Ltd" in exchange for Respondents' promise to establish and operate a "banking platform" and to pay 10% interest and principal in 4 months
26. The \$80,000 check was endorsed by Folkerts, deposited by Respondents into Respondents' bank, and payment on the check was consummated.
27. The activities described above in paragraphs 23-25 constitute the offer and sale of an investment contract and are therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

Failure to Register Securities

28. Section 5 of the Act provides, *inter alia* that all securities except those exempt under Section 3 or those offered and sold under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
29. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a

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result the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.

30. Section 12.A of the Act provides *inter alia* that it shall be a violation for any person to offer and sell any security except in accordance with the provisions of the Act.
31. Section 12.D of the Act provides *inter alia* that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
32. By virtue of the foregoing Respondents McAvoy, Folkerts and Full Circle have violated Sections 12.A and 12.D of the Act.

Fraud

33. Respondents McAvoy, Folkerts and Full Circle did not, according to the terms of the investment contract, “arrange for the acquisition of a banking platform” or “manage the banking platform” or “collect income” or provide other collateral services regarding the promised banking platform.
34. Instead Respondents paid Investor #2 only \$8,000, and then converted Investor #2’s principal of \$80,000 to their own personal and other business use and benefit.
35. Respondents McAvoy, Folkerts and Full Circle failed and refused to notify Investor #2 that they were converting the \$80,000 to their own use and benefit, instead of using it for the business purpose as promised to “arrange for the acquisition of a banking platform” and to “manage the banking platform” and to “collect income” and to provide other collateral services regarding the banking platform.
36. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof”.
37. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading”.

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38. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to employ any device, scheme or artifice, to defraud in connection with the sale or purchase of any security, directly or indirectly".
39. By virtue of the foregoing, Respondents violated Sections 12.F, 12.G and 12.I of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing. Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

The Rules promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department may be viewed online at <http://www.cyberdriveillinois.com/departments/securities/lawrules.html>.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 1st day of March 2012.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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