

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF:

FRMH, LLC,

its partners, members, officers, directors,
agents, employees, affiliates, successors
and assigns;

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) **File Number: 0900175**
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NOTICE OF HEARING

TO RESPONDENT:

FRMH, LLC
C/O The Corporation Trust Company
Corporation Trust Center 1209 Orange Street
Wilmington, Delaware 19801

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 30th day of August, 2010 at the hour of 10:00 a.m. or as soon as possible thereafter, before Soula Spyropoulos Esq., or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered pursuant to Section 11.E of the Act prohibiting FRMH, LLC (the "Respondent ") from selling or offering for sale securities in 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 Section 11.E of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. Respondent FRMH, LLC is a Delaware Limited Liability Company.
2. The Respondent offered and sold promissory notes to Illinois residents, including unaccredited and unsophisticated investors.
3. The Notes offered and sold to the Illinois residents by Respondent promised interest rates between twenty (20) to fifty (50) percent interest and bonus payments of Forty Five Thousand Dollars (\$45,000.00) to Two Hundred Thousand Dollars (\$200,00.00) depending on the loan amount.

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4. The activities described above constitute the offer and sale of a Note and 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 5/1 *et. seq.*] (the "Act").
5. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 "shall be registered either by coordination or by qualification prior . . . to their offer or sale" in the State of Illinois.
6. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and, as a result, the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
7. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person "to offer or sell any security except in accordance with the provisions of the Act."
8. 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."
9. By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.
10. The aforementioned findings are based upon credible evidence.
11. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
12. That by virtue of the foregoing, Respondent is subject to a fine, censure and costs of investigation pursuant to Section 11.E(4) 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.

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A link of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice. <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 7th day of July 2010.

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Mary A. Lopez
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Illinois Securities Department
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Hearing Officer:
Soula Spyropoulos
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Lincolnwood, Illinois 60712