

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

IN THE MATTER OF: ASSOCIATED CAPITAL ADVANCE)
LLC., its officers and directors, employees, agents, affiliates,) FILE NO. 0900171
successors and assigns; and SANDY HOFFMAN, individually)

NOTICE OF HEARING

TO THE RESPONDENT: Associated Capital Advance, LLC
26677 West 12 Mile Road
Southfield, MI 48034

Sandy Hoffman, President
Associated Capital Advance, LLC
26677 West 12 Mile Road
Southfield, MI 48034

c/o Blake P. Lipman, Esq.
Attorney at Law
31275 Northwestern Highway,
Suite 140
Farmington, MI 48344

You are hereby notified that pursuant to Section 5-65 of the Business Opportunity Sales Law of 1995 [815 ILCS 602/5-1, *et seq.*] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 17 North State Street, Suite 1100, Chicago, Illinois 60602, on the 5th day of August, 2009, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before the duly designated Hearing Officer James L. Kopecky of the Secretary of State. A copy of the Rules under the Act pertaining to contested cases is attached to this Notice.

Said hearing will be held to determine whether a permanent Order of Prohibition from offering or selling business opportunities in the State of Illinois shall be entered against Associated Capital Advance, LLC, its officers and directors, employees, successors and assigns, and Sandy Hoffman 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 5-65(4) of the Act.

The grounds for such proposed action are as follows:

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1. That Associated Capital Advance, LLC ("ACA"), is a business entity which maintains its principal office at 26677 West 12 Mile Road, Southfield, MI 48034.
2. That Sandy Hoffman ("Hoffman") is the President of Associated, collectively with Associated (the "Respondents") and maintains his principal office at 26677 West 12 Mile Road, Southfield, MI 48034.
3. That from on or about October 2008 through February 5, 2009, and prior thereto, the Respondents placed on several occasions advertisements in the newspaper the Chicago Tribune. That said newspaper is circulated within the State of Illinois.
4. That said advertisement (hereinafter the "Ad") read as follows:

"Affiliate Can Earn
\$100,000.00/YEAR
Plus Residual Income
Providing our money to Biz
NO SELLING!
Capital Advance
847-598-3656"

5. That one or more Illinois residents calling the phone number in the Ad were offered the opportunity to become an Affiliate associated with Respondents, and received from Respondent its promotional literature entitled "Associated Capital Advance, the small business funding expert" - ...The ability to borrow against future credit card sales." (hereinafter "the Affiliate Program"). The Affiliate would be taught how to market the program to businesses that receive payments by credit card.
6. That the Respondents also mailed an Agreement to one or more Illinois residents responding to the AD. The Agreement stated, upon receipt of payment of \$2,220.00 (Non-Refundable), ACA will provide affiliate with following:
 - Initial Mail out of 2000 businesses (copy of mailing list to be provided).
 - Consecutive mailings of 2000 pieces mailed 30 and 60 days after initial mailing has been completed for a total of 6000 pieces being mailed.

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- Complete bank marketing program consisting of initial contact and copies of all monthly contact and marketing correspondence mailed to banks.
 - Unlimited supply of ACA Brochures with Affiliates name and telephone number on an as needed basis.
 - Unlimited ACA business cards printed with Affiliates name and telephone number on an as needed basis.
 - Set-up of Affiliates residual account.
 - Unlimited supply of all documents needed to start and complete cash advance transactions on an as needed basis.
 - Training program for Affiliate to learn all phases of the Cash Advance Program
 - One ACA training manual.
 - ACA to stockpile 50,000 printed mailer shells to minimize future monthly affiliate mailing expense.
7. The Affiliate Program Agreement in pertinent part established that the Affiliate would receive a residual income of .37% of all their clients' monthly credit card volume and 8% of the funded amount of each cash advance client the affiliate provides.
8. That subsequent to November 21, 2008, Respondents sold the Affiliate Program to one or more Illinois residents.
9. That Section 5-5.10(a)(6) of Business Opportunity Sales Law of 1995, [815 ILCS 602 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller of more than \$500 and the seller represents directly or indirectly, orally or in writing, that: the seller or a person recommended by the seller will provide a marketing plan.

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10. That the affiliate program, described in paragraphs four through seven (4-7), constitutes a business opportunity as that term is defined in Section 5-5.10 of the Act.
11. That the activities described in paragraphs three through seven (3-7), constitute an offer as that term is defined under Section 5-5.20 of the Act.
12. That the activities described in paragraph six (6) constitute a marketing plan as that term is defined under Section 5-5.15 of the Act.
13. That the activities described in paragraph eight (8) constitute a sale as that term is defined under Section 5-5.40 of the Act.
14. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer any business opportunity in this State unless the business opportunity is registered under the Act or is exempt under Section 5-10 of the Act.
15. That at all relevant times, Respondents ASSOCIATED CAPITAL ADVANCE, LLC its officers and directors, agents, employees, affiliates, successors and assigns, and SANDY HOFFMAN, individually failed to register the business opportunity described in paragraph eight (8) as required pursuant to Section 5-25 of the Act.
16. That, by virtue of the foregoing, the Respondents violated Section 5-25 of the Act.
17. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of this Law or any rule, regulation, or order under this Law, the Secretary of State may issue an Order of Prohibition any person from offering or selling business opportunities in the State of Illinois.

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 or otherwise plead within the prescribed time shall constitute a default.

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 Respondents has upon due notice moved for and obtained a continuance.

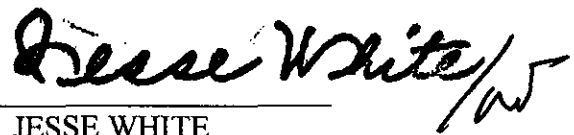
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A copy of the Rules pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

Dated: This 10th day of June 2009.

A handwritten signature in black ink that reads "Jesse White" followed by a stylized flourish or initials.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Samuel F. Freiman
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Hearing Officer:
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