

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

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**IN THE MATTER OF: Exceptional Enterprise, Inc.,**  
**Exceptional Investment,**  
**Peter Guzman and Jimmy Rivera**  
\_\_\_\_\_

**FILE NO. 0500621**

**NOTICE OF HEARING**

**TO THE RESPONDENT:**

Peter Guzman  
336 N Minneola  
Hinsdale, IL 60521

Jimmy Rivera  
5518 W. North Avenue  
Chicago, IL 60639

Exceptional Investment, Inc.  
2101 N. Western Ave.  
Chicago, IL 60647

You are hereby notified that pursuant to Section 11.E 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 W Washington Street, Suite 1220, Chicago, Illinois 60602, on the 13<sup>th</sup> day of January, 2006, at the hour of 10:00 a.m., or as soon as possible thereafter, before James L. Kopecky, Esq. Or such duly designated Hearing Officer of the Secretary of the State

Said hearing will be held to determine whether an Order shall be entered pursuant to Section 11.E of the Act prohibiting 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 imposition of a monetary fine in the maximum amount pursuant to 11.E(4) of the Act, payable within 10 (ten) days of the order.

The grounds for such proposed action are as follows:

2  
Notice of Hearing

**BACKGROUND FACTS**

1. Respondent, Peter Guzman (hereinafter "Guzman") has a last known address of 336 N. Minneola, Hinsdale, IL 60521
2. Respondent, Jimmy Rivera (hereinafter "Rivera") has a last known address of 5518 W. North Avenue, Chicago, IL 60639
3. Respondent, Exceptional Investment Inc. (hereinafter "Exceptional Investment" and collectively with Guzman and Rivera "Respondents") has a last known address of 2101 N. Western Ave., Chicago, IL 60647
4. At all times relevant to this Notice of Hearing, Guzman and Rivera owned Exceptional Investment Inc.
5. W.D., at all relevant times, was an Illinois resident.
6. H R., at all relevant times, was an Illinois resident.

**COUNT I  
Fraud**

7. Respondents, on or about November 24, 2004, solicited H R. to purchase a promissory note.
8. H.R , on November 24, 2004, did purchase from Respondents a promissory note (hereinafter "Note #1") for \$50,000.
9. Respondents represented to H.R. that the funds received by Respondents were to be used for the purchase a real estate project located in Illinois
10. The terms of Note #1 state that H.R. would earn a 30-40% rate of return within 6 to 8 months from November 24, 2004, plus a return of H.R 's principal.
11. Respondents requested that H R pay them the \$50,000 in the form of a series of checks made out to Stella Juarez and a \$10,000 check made to W.D.
12. Respondents represented to H R that W D. was the Respondents' accountant.
13. W D. is not an accountant and never was an accountant for any of the Respondents.

## Notice of Hearing

14. In fact, W.D. was a creditor of Respondents who was owed money by Respondents at the time of the sale of Note #1 for a previous note purchased by W.D. from Respondents
15. The \$10,000 check that H R wrote to W.D. and gave to Respondents for Note #1 was actually used to pay W.D. money that was owed to him on a prior note that he had purchased from Respondents
16. Respondents failed to disclose to H R. that the \$10,000 check H.R. wrote to W D. was not going to be used for investment purposes by Respondents but rather to pay off a prior creditor
17. Furthermore, Respondents failed to disclose that they had defaulted on a note similar to Note #1, which Respondents sold to W.D.
18. H R has repeatedly demanded the return of the principal and interest owed to him on Note #1
19. To date, Respondents have failed and refuse to pay the principal and interest owed to H.R. on Note #3.
20. Respondents' activities described above involve the sale of a promissory note and, therefore, a security as that term is defined in Sections 2.1 and 2.5 of the Act.
21. 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 conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof
22. By virtue of the foregoing, Respondents violated Section 12.F of the Act
23. 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 the light of the circumstances under which they were made, not misleading.
24. By virtue of the foregoing, Respondents violated Section 12 G of the Act
25. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to employ any scheme, device or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.
26. By virtue of the foregoing, Respondents violated Section 12.I of the Act.

## Notice of Hearing

You are further notified that you are required pursuant to Section 1104 of the Rules to file an answer to the allegations outlined above, a Special Appearance pursuant to Section 1107 of the Rules, or other responsive pleading within thirty (30) days of receipt of this notice. Your failure to do this within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

Furthermore, you may be represented by legal counsel; may present evidence, may cross-examine witnesses and otherwise participate. A failure to appear shall constitute default by you.

A copy 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.

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

Dated. This 7th day of November, 2008.



JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State.  
Illinois Securities Department  
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Hearing Officer:  
James L. Kopecky  
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Suite 220  
Chicago, Illinois 60610