

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

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<b>IN THE MATTER OF: ERIC ROBERT RYDLEWSKI</b>	)	
<b>A/K/A ARKADIUSZ RYDLEWSKI</b>	)	
<b>D/B/A MERIT INTER-GROUP LTD.</b>	)	<b>NO. C0700406</b>
<b>his partners, officers and directors,</b>	)	
<b>managers, agents, employees,</b>	)	
<b>affiliates, successors and assigns.</b>	)	

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**NOTICE OF HEARING**

**TO RESPONDENT: ERIC ROBERT RYDLEWSKI  
A/K/A ARKADIUSZ RYDLEWSKI  
2421 NORTH 75<sup>TH</sup> AVENUE  
ELMWOOD PARK, ILLINOIS 60707**

**ERIC ROBERT RYDLEWSKI  
A/K/A ARKADIUSZ RYDLEWSKI  
C/O BLC DEVELOPER  
WLODKOWICA 12A  
WROCLAW, POLAND 50-072**

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 17th day of January, 2008 at the hour of 10:00 a.m. or as soon thereafter as possible before George Berbas, 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 Respondent Eric Robert Rydlewski a/k/a Arkadiusz Rydlewski d/b/a/ Merit Inter-Group, Ltd., and his partners, officers and directors, agents and employees, affiliates, 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:

Notice of Hearing

2

1. Eric Robert Rydlewski (at times hereinafter "Rydlewski" or "Respondent") is also known as Arkadiusz Rydlewski and has last known addresses of 2421 North 75<sup>th</sup> Avenue, Elmwood Park, Illinois 60707 and c/o BLC Developer, Wlodkowica 12A, Wroclaw, Poland 50-072.
2. At all times relevant to this Temporary Order of Prohibition Rydlewski was doing business as Merit Inter-Group, Ltd. (at times herinafter "Merit").
3. In April 2007 Rydlewski solicited investments from at least one Illinois resident ("Investor").
4. The Investor was solicited by Rydlewski to pay Five Thousand Dollars (\$5000) to Merit and Rydlewski in exchange for a promise by Rydlewski that the money would be used to purchase and rehabilitate distressed real estate.
5. In April 2007 the Investor paid Rydlewski a total of \$5000 and both the Investor and Rydlewski signed a contract entitled "MERIT Inter-Group, Ltd. Investment Contract" ("Investment Contract") in which the Investor was promised repayment of the \$5000 plus \$820 interest a payments 12.25 months plus 16% interest.
6. Respondent promised to make quarterly interests payments of \$205 beginning in July 2007 and to repay the \$5000 principal on or before April 10, 2008.
7. Respondent's activities described above involve the offer and sale of a note or an investment contract 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**

9. Section 5 of the Act provides, *inter alia*, that "all securities except those set forth under Section 2a of this Act...or those exempt...shall be registered...prior to their offer or sale in this State.
10. Respondent failed to file an application with the Secretary of State to register the investment contract as required by the Act, and as a result the investment contract was not registered as such prior to their or sale in the State of Illinois.
11. Section 12.A of the Act provides, *inter alia*, that it shall be a violation of the Act to offer or sell any security except in accordance with the provisions of the Act.
12. Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the Act to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.

13. By virtue of the foregoing, Respondent violated Sections 12.A and 12.D of the Act.

**FRAUD AND DECEIT**

14. To date the Respondent has failed to make the quarterly interest payments to the Investor as promised.
15. Respondent failed to disclose to Investor any risks involved in the Investment Contract that Respondent would not pay the promised principal or interest according to the terms of the signed agreement.
16. Respondent, instead of paying interest as promised in the terms of the Investment Contract converted the principal received from the Investor to his own use and benefit.
17. Respondent, at the time of the Investment Contract, failed and refused to notify the Investor that the principal would be converted to his own benefit rather than used to generate interest for the Investor's benefit.
18. 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".
19. 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.
20. 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".
21. By virtue of the foregoing, Respondent 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 appear shall constitute default, unless any Respondent has, upon notice, moved for and obtained a continuance.

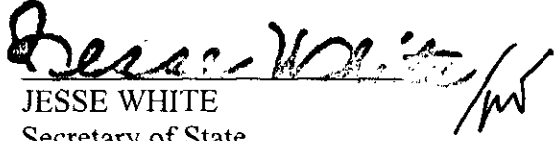
Notice of Hearing

4

A copy of the Rules and Regulations promulgated under the Illinois Securities Law and pertaining to hearings held by the Office of the Secretary of State, Illinois Securities Department, are available at <http://www.ilga.gov/commission/jcar/admincode/014/01400130sections.html>, or upon request.

Delivery of notice to the designated Representative of any of the respondents constitutes service upon such respondent.

Dated: This 27<sup>th</sup> day of November 2007

  
JESSE WHITE  
Secretary of State  
State of Illinois

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