

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: DAVID GREEN and  
THE NEW REGIME INVESTMENT CLUB, INC.

FILE NO. 0500226

**ORDER OF PROHIBITION**

**TO THE RESPONDENTS:** David Green  
4895 Meadow Lake Drive  
Richton Park, IL 60471

David Green  
Green's Trucking of Illinois, Inc.  
10336 South Western Ave.  
Chicago, IL 60643

The New Regime Investment Club  
10340 South Western Ave.  
Ste. 2G-2  
Chicago, IL 60643

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on May 4, 2006 which prohibited David Green and The New Regime Investment Club ("Respondents") from offering or selling securities in or from the State of Illinois until further order from the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

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WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent David Green ("Respondent") is a resident of Illinois, with a last known address of 4895 Meadow Lake Dr., Richton Park, Illinois 60471.
2. The New Regime Investment Club ("New Regime" or "Respondents" in conjunction with David Green) was incorporated in Illinois by Respondent on September 26, 2003, and involuntarily dissolved on February 1, 2005. At all relevant times Respondent held himself out as the President, Chief Executive Officer and Agent for New Regime. New Regime's last known address, by publication, is 10340 South Western Ave., Chicago, Illinois 60643.
3. During the Fall of 2003 and Spring of 2004 Respondent solicited at least five Illinois residents ("Investors") for the purpose of offering to them an investment into New Regime, which, as Respondent promised, would provide a 10% return in principal every month (the "Notes").
4. Respondent stated that investment money placed into the Notes would provide loans to real estate developers that were going to rehabilitate investment properties, and in consideration for their investments, Investors would receive the promised 10% monthly return on their principal.
5. Respondents sold at least seventy-five thousand dollars (\$75,000.00) in Notes to Investors, paid by personal and cashiers checks and made out to New Regime.
6. Respondent manufactured and delivered to each Investor a written Promissory Note in which he:
  - a. acknowledged the Investor's principal investment;
  - b. promised a 10% monthly return on that principal;
  - c. would execute a Quit Claim Deed to each Investor for certain property that would act as a security for the investment;
  - d. agreed to pay five hundred dollars (\$500.00) to a loan broker to be involved in the establishment of each real estate development loan provided by Respondent and New Regime; and
  - e. further promised that Respondents would pay for any costs incurred to Investors for having to obtain payment on the Notes due to Respondents' failure to fulfill the contractual obligations.

7. Each Note was signed by Respondent in his personal capacity and on behalf of New Regime, and by each respective Investor.
8. Respondents did pay one Investor the initial 10% promised return, causing that Investor to rollover the principal for another thirty (30) day investment and several other Investors to invest into New Regime. However, Respondents failed to make any other payment or to repay the principal to any other Investor.
9. The Investors' money was not used to fund any real estate development, nor was any used to obtain services of a loan broker to establish any real estate development loan.
10. Instead, Respondent used Investors' money for his own personal use and benefit.
11. The activities set forth in paragraphs 3 through 8, above, evidence the offer and sale of securities 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.*
12. Section 12.F of The Act states that it shall be a violation of the provisions of this 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." 815 ILCS 5/12.F.
13. Section 12.G of the Act states that it shall be a violation of the provisions of this 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." 815 ILCS 5/12.G.
14. Section 12.H of the Act states that it shall be a violation of the provisions of this Act for any person to, "sign or circulate any statement, prospectus, or other paper or document required by any provision of this Act or pertaining to any security knowing or having reasonable grounds to know any material representation therein to be false or untrue." 815 ILCS 5/12.H.
15. Section 12.I of the Act states that it shall be a violation of the provisions of this 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. 815 ILCS 5/12.I.

#### **CONCLUSIONS OF LAW**

By virtue of the forgoing, Respondents David Green and The New Regime Investment Club, Inc., violated Sections 12.F, 12.G, 12.H and 12.I of the Act.

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1. Respondents David Green and The New Regime Investment Club, Inc., violated Sections 12.F, 12.G, 12.H and 12.I of the Act.

**NOW THEREFORE IT IS HEREBY ORDERED:** That pursuant to Section 11.F of the Act, Respondents David Green and The New Regime Investment Club are hereby permanently **PROHIBITED** from offering or selling securities in or from this State of Illinois.

ENTERED: This 20<sup>th</sup> day of June, 2006.

  
JESSE WHITE  
Secretary of State  
State of Illinois

**NOTICE:** Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Act. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Illinois Securities Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.