

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

_____))
IN THE MATTER OF: K & K INVESTORS, INC., its))
officers, agents, affiliates, employees, successors))
and assigns; and **KEITH FOSTER**, his agents,)) FILE NO. C0400753
affiliates, employees, successors, and assigns; and))
ARMECA DOCKERY, her agents, affiliates,))
employees, successors, and assigns; and))
RICK CARTER, his agents, affiliates, employees,))
successors, and assigns.))
_____)

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENT: K & K Investors, Inc.
 1337 Lakeview Drive
 Schererville, IN 46375

 Keith Foster
 1337 Lakeview Drive
 Schererville, IN 46375

 Armeca Dockery
 17620 Country Club Lane
 Country Club Hills, IL 60478

 Richard Carter
 5340 Imperial Drive
 Richton Park, IL 60471

On information and belief, I, Jesse White, Secretary of State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

COUNT I

Sale of Unregistered Security by Unregistered Persons

1. K & K Investors, Inc. ("Respondent K & K" or collectively with Respondent Dockery, Respondent Carter and Respondent Foster, "Respondents") is a business entity with a last known address 1337 Lakeview Drive, Schererville, IN 46375.
2. Keith Foster ("Respondent Foster" or collectively with Respondent K & K, Respondent Carter and Respondent Dockery, "Respondents"), is an individual with a last known address of 1337 Lakeview Drive, Schererville, IN 46375. Respondent Foster is the President of K & K.
3. Armeca Dockery ("Respondent Dockery" or collectively with Respondent K & K, Respondent Foster and Respondent Carter, "Respondents"), is an individual with a last known address of 17620 Country Club Lane, Country Club Hills, IL 60478.
4. Richard Carter ("Respondent Carter" or collectively with Respondent K & K, Respondent Foster, and Respondent Dockery, "Respondents") is an individual with a last known address of 5340 Imperial Drive, Richton Park, IL 60471.
5. Alonzo Stanley ("Investor") is an Illinois resident.
6. Beginning in or about May, 2004, Respondents met with Investor to discuss investments in K & K. Respondents told Investor they were in the business of rehabbing and building properties and that investors receive a certain percentage of the profits K & K makes from selling the rehabbed properties.
7. On or about May 21, 2004, Respondents came to Investor's home with a rehab investment proposal for a property at 2003 W. 70th Place, Chicago, IL 60628 (the "Property"). Respondents told Investor that they needed an initial investment of \$25,000 to begin the rehab project. Respondents guaranteed Investor a return of \$50,000 within 2 weeks to 30 days from the date of the investment. Respondents assured Investor that they already had a buyer for the Property and this investment would turn a quick profit.
8. On or about May 22, 2004, Investor gave Respondent Dockery a check ("Check #1") in the amount of \$25,000 for investment in K &

K. Respondent Dockery instructed Investor to make the check payable to her.

9. On or about June 2, 2004, Respondents approached Investor and asked for an additional investment of \$5,000 to help with the rehab Property. Investor gave Respondent Dockery a check ("Check #2") in the amount of \$5,000 and made it payable to her personally.
10. The activities described above constitute the offer and sale of profit-sharing agreements or investment contracts and therefore securities as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Act. (the "Act") Illinois Securities Law of 1953 [815 ILCS 5].
11. Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act, or those offered and sold in transactions exempt under Section 4 of the Act, shall be registered with the Secretary of State by filing the proper application prior to their offer or sale in or from the State of Illinois;
12. The activities detailed in paragraphs five through nine (5-9) constitute an offer and sale under Sections 2.5 and 2.5(a) of the Act;
13. Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act;
14. Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State, Securities Department (the "Department") any required application, report or document;
15. At all times relevant hereto the securities referenced in paragraphs five through nine (5-9) were offered for sale at a time when this security did not have the proper application on file at the Department;
16. At all times relevant hereto Respondents failed to file an application for the registration of the securities described in paragraphs five through nine (5-9);
17. By virtue of the foregoing, Respondents have violated Section 12.A and Section 12.D of the Act;
18. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;

19. Based on the above-referenced evidence, the Secretary of State deems it necessary to temporarily prohibit the offer or sale of any and all securities issued or issuable by Respondents, their agents, employees and affiliates in the state of Illinois or to any Illinois resident to prevent an imminent violation of the Act; and
20. The entry of this Temporary Order prohibiting Respondents, their agents, employees and affiliates from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes of the Act.

COUNT II
Fraud and Deceit

- 1-10. Paragraphs 1-10 of Count I are realleged and incorporated by reference as paragraphs 1-10 of this Count II as fully set forth herein.
11. On or about May 22, 2004, Respondent Dockery deposited Check #1 in her personal bank account.
12. On or about June 2, 2004, Respondent Dockery deposited Check #2 in her personal bank account.
13. On information and belief, Respondents have used Investor's funds for their own personal use.
14. A few months after Investor completed his investment, Investor repeatedly expressed his dissatisfaction over Respondent's failure to deliver on their promises and oral agreement of May, 2004.
15. On or about October 5, 2004, Respondents met with Investor and signed a written contract (the "Contract"). The Contract stated "On May 21, 2004 Alonzo Stanley, K & K Investors Inc.(Armeca Dockery), Contractor (Richard Carter) entered into an agreement to rehab property at 2003 W. 70th Place, Chicago, IL 60628. The initial investment from Alonzo Stanley was \$30,000 with a promised

return to him of \$50,000 within 2 weeks to 30 days. The original agreement was verbal, however due to the original agreement being broken. It was imperative that a written contract be drawn, to extend the intent and completion of this agreement." The Contract also provided a new payment schedule of Investor's funds, to be paid in full by October 31, 2004.

16. Despite repeated attempts to contact Respondents regarding the return of his investment, to date, Investor has only received approximately \$6,400 of his investment.
17. Notwithstanding Respondents' repeated assurances, both oral and written, that Investor's investment was "guaranteed", Investor has only received incremental payments totaling approximately \$6,400. Investor's attempts to contact Respondents regarding further payment have been unsuccessful.
18. Section 12.F of the Act provides, inter alia, that it is a violation of the Act 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. Respondents have violated Section 12.F of the Act in that they each:
 - a. Guaranteed Investor double his initial investment in 30 days or less, but failed to disclose to Investor any of the risks involved with the investment.
 - b. Took funds from Investor and misrepresented that his funds would be invested in rehabbing the Property. On information and belief, they used his funds for their own purposes.
20. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
21. Based on the above-referenced evidence, the Secretary of State deems it necessary to temporarily prohibit the offer or sale of any and all securities issued or issuable by Respondents, their agents,

employees and affiliates in the state of Illinois or to any Illinois resident to prevent an imminent violation of the Act; and

22. The entry of this Temporary Order prohibiting Respondents, their agents, employees and affiliates from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes of the Act.

COUNT III

Material Misstatement or Omission in Violation of 12.G

- 1-17. Paragraphs 1-17 of Count II are realleged and incorporated by reference as paragraphs 1-17 of this Count III as fully set forth herein.
18. 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 light of the circumstances under which they were made, not misleading.
19. Respondents have violated Section 12.G of the Act in that they:
 - a. Guaranteed Investor double his initial investment in 30 days or less, but failed to disclose to Investor any of the risks involved with the investment.
 - b. Took funds from Investor and misrepresented that his funds would be invested in rehabbing the Property. On information and belief, they used his funds for their own purposes.
20. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
21. Based on the above-referenced evidence, the Secretary of State deems it necessary to temporarily prohibit the offer or sale of any and all securities issued or issuable by Respondents, their agents,

employees and affiliates in the state of Illinois or to any Illinois resident to prevent an imminent violation of the Act;


22. The entry of this Temporary Order prohibiting Respondents, their agents, employees and affiliates from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, **K & K Investors, Inc.**, its officers, agents, affiliates, employees, successors and assigns; **Keith Foster**, his agents, affiliates, employees, successors and assigns; **Armeca Dockery** her agents, affiliates, employees, successors and assigns, and **Richard Carter**, his agents, affiliates, employees, successors and assigns are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 8th day of July 2005.


JESSE WHITE
Secretary of State
State of Illinois

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