

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

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**IN THE MATTER OF: K & K INVESTORS, INC.,** its  
officers, agents, affiliates, employees, successors  
and assigns; and **KEITH FOSTER,** his agents,  
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.

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FILE NO. C0400753

**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

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on July 8, 2005 which prohibited K & K Investors, Inc., Keith Foster, Armeca Dockery, and Richard Carter (the "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 said Temporary Order.

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. 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. 70<sup>th</sup> 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. On or about May 22, 2004, Respondent Dockery deposited Check #1 in her personal bank account.
19. On or about June 2, 2004, Respondent Dockery deposited Check #2 in her personal bank account.
20. On information and belief, Respondents have used Investor's funds for their own personal use.
21. 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.
22. 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. 70<sup>th</sup> 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.
23. Despite repeated attempts to contact Respondents regarding the return of his investment, to date, Investor has only received approximately \$6,400 of his investment.

24. 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.
25. 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.
26. 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.
27. 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.
28. 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.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, Respondents, K & K Investors, Inc., Keith Foster, Armeca Dockery, and Richard Carter are hereby permanently PROHIBITED from offering or selling securities in or from the State of Illinois.

ENTERED: This 22<sup>nd</sup> day of August 2005.



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.