

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

IN THE MATTER OF: WILLIAM BRUCE, JR.)
_____))

FILE NO. 0200292

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENT: William Bruce Jr.
8420 West Bryn Mawr
Chicago, Illinois 60631

On information and belief, I, Jesse White, Secretary of State for the 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:

1. That William Bruce Jr.'s ("Respondent") last known address is 8420 West Bryn Mawr, 729 North Main Street, Chicago, Illinois 60631.
2. That in about May of 2000, Respondent approached an Illinois resident (Investor) and solicited the Investor's participation in a promissory note at the price of \$25,000.00 with a return on the investment of \$2,000,000.00 in twenty days, and a guarantee that in the event the \$2,000,000.00 program (\$2,000,000.00 Program) did not perform as promised, Respondent would pay the Investor \$25,000.00 on or before July 1, 2000 (the "Offering").
3. Subsequent to the foregoing solicitation, the Investor purchased the Offering on May 17, 2000, receiving a promissory note executed by Respondent for his investment in the \$2,000,000.00 Program and paid the Respondent via wire transfer.
4. That the activities described in paragraphs 2 and 3 above constitute the offer and sale of a promissory note, or certificate of interest or participation in a profit-sharing agreement, or an investment contract and therefore a security as those terms are defined in Sections 2.1 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
5. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under

Temporary Order of Prohibition

-2-

Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.

6. That Respondent failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
7. That Section 12.A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
8. That Section 12.D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
9. That by virtue of the foregoing, Respondent has violated Sections 12.A and 12.D of the Act, and Respondent will violate Section 12.A of the Act again if they make further offers, or if they make any sales, of the security described above in the State of Illinois.
10. That the aforementioned findings are based upon credible evidence.
11. That 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 that will occur as a result of prior violations of the Act.
12. That the entry of this Temporary Order prohibiting Respondent 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 intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent William Bruce Jr., is 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 Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 17 North State Street, Suite 1266, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of 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.

Temporary Order of Prohibition

-3-

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.

ENTERED: This 7th day of April 2004.

A handwritten signature in black ink, appearing to read "Jesse White" followed by a flourish or initials.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Samuel F. Freiman
Illinois Securities Department
17 North State Street
Suite 1266
Chicago, Illinois 60602
Telephone: (312) 793-3988