

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: REBELL LLC., its officers and directors,  
managers, employees, members, agents, affiliates, successors and  
assigns.

FILE 0100119

NOTICE OF HEARING

TO RESPONDENTS:           Rebel LLC  
                                  1123 Emerson Street, Suite 203  
                                  Evanston, Illinois 60201

You are hereby notified that pursuant to Section 11.F of The Illinois Securities Law of 1953, as amended, Ch. 815 ILCS 5/1, et seq. (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 20<sup>th</sup> day of August 2003, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Soula J. Spyropoulos, or another duly designated Hearing Officer of the Secretary of State. A copy of the Rules under the Act pertaining to contested cases is attached to this Notice.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Rebel LLC, its officers and directors, managers, agents, employees, members, and affiliates, successors and assigns ("Respondent") and/or granting such other relief as may be authorized under the Act including, but not limited to, censure and the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That Rebel LLC, an Illinois Limited Liability Corporation (hereinafter "Respondent"), maintains a business address at 1123 Emerson Street, Suite 203, Evanston, Illinois 60201.
2. That from December 2000 through April 2001, or thereabouts, a representative of Respondent, cold-called at least one Illinois resident ("Offeree") offering to sell

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Shares of limited liability interests at an offering price of \$10.00 per Share (the "Offering").

3. That subsequent to the foregoing telephone solicitation, Respondent caused to be sent to one or more Offeree residents Purchaser Questionnaire, Confidential Private Placement Memorandum, and Subscription Application and Agreement for the Offering.
4. That the activities described in paragraphs 2 and 3 above constitute the offer of a security 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 Section 4 shall be registered either by coordination or by qualification prior to their offer or sale from the State of Illinois.
6. That Respondent failed to file with the Secretary of State an application for registration of the securities 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 and sale 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 of the provisions of the Act for any person to fail to file any application, report or document required to be filed under the provisions of the Act or under any rule or regulation made by the Secretary of State pursuant to the Act.
9. That by virtue of the foregoing, Respondent violated Section 12.A and 12.D of the Act.
10. That Section 11.E (1) of the Act provides, inter alia, that if the Secretary of State shall find that the offer and sale of any securities by any person in this State is in violation of Section 12 of the Act, the Secretary of State shall by written order prohibit the offer or sale of securities by that person in the State of Illinois.
11. That by virtue of the foregoing, Respondent, its officers and directors, managers, agents, affiliates, employees, members, successors and assigns, are subject to an Order prohibiting it from offering or selling securities in the State of Illinois.
12. That Section 11.E(4) provides, inter alia, that in addition to any other sanction or remedy contained in subsection E, the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule,

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regulation or order against the violator not to exceed \$10,000, and may issue an order of public censure against the violator.

13. That by virtue of the foregoing, Respondent is subject to an order of censure and fine.

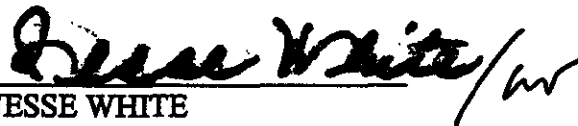
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed 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 so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

A copy of the Rules, promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 27<sup>th</sup> day of June 2003.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

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Hearing Officer:  
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