

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

**IN THE MATTER OF: EXPERTFUNDING.COM
CORPORATION, its officers and directors, agents, employees,
affiliates, successors and assigns.**

FILE NO. 0000305

NOTICE OF HEARING

**TO THE RESPONDENT: ExpertFunding.Com, Corporation
315 Bankhead Highway
Carrollton, GA 30117**

You are hereby notified that pursuant to Section 5-65 of the Business Opportunity Sales Law of 1995 [815 ILCS 602/5-1, *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 2nd day of April, 2003, at the hour of 10:00 a m., or as soon thereafter as counsel may be heard, before the 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 a permanent Order to Cease and Desist from offering or selling business opportunities in the State of Illinois shall be entered against ExpertFunding.Com, Corporation its officers and directors, agents, employees, affiliates, successors and assigns and/or granting such other relief as may be authorized under the Act, including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 5-65(4) of the Act, and an order of public censure.

The grounds for such proposed action are as follows:

1. That ExpertFunding.Com Corporation (the "Respondent"), a Delaware corporation, its principal office is at 315 Bankhead Highway, Carrollton, GA 30117.
2. That on occasion during the years 1999 through 2001, Respondent placed advertisements in the Wall Street Journal and USA Today, along with advertisements on their web site, "ExpertFunding.com"

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3. That said advertisements (the "Ad") stated in part as follows: "Your web-based business will exploit an untapped need for venture funding of pending personal injury lawsuits." and, "ExpertFunding.com could be your business opportunity of a lifetime."
4. That one or more Illinois residents responded to one or more of those ads stating a refundable advertised price of a \$14,900.00 start-up cost, and purchased the business opportunity (the "Program").
5. The "Program" constituted an agreement between Respondent and the Purchaser whereby Respondent would provide certain services to the Purchaser, including training, and one on one field support to walk the Purchaser through his cases for the first year in setting up their business as "Certified Funding Consultants." Purchaser would then find and analyze cases of attorneys and plaintiffs in need of venture funding for settlement advances, expert witness fees, receivables financing, and appellate or commercial litigation financing ("Clients"), which Clients, if approved by Respondent, would utilize Respondent's capital, on which Purchaser would receive a 50% split of fees on any recovery.
6. That Section 5-5.10(a)(2) of Business Opportunity Sales Law of 1995, [815 ILCS 602 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller of more than \$500 and the seller represents directly or indirectly, orally or in writing, that the seller or a person recommended by the seller will provide or assist the purchaser in finding outlets or accounts for the purchaser's products or services.
7. That Respondent Program, described in paragraph five (5), constitutes a business opportunity as that term is defined in Section 5-5.10 of the Act.
8. That the activities described in paragraph three (3) constitute an "offer" and the activities described in paragraph four (4) constitute a "sale" as those terms are defined under Section 5-5.20 and 5-5.40 of the Act.
9. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer or sell any business opportunity in this State unless the business opportunity is registered under the Act or is exempt under Section 5-10 of the Act
10. That at all relevant times, Respondent, their officers and directors, agents, employees, affiliates, successors and assigns, failed to register the business

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opportunity described in paragraph five (5) as required pursuant to Section 5-25 of the Act.

11 That, by virtue of the foregoing, Respondent violated Section 5-25 of the Act.

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 or otherwise plead within the prescribed time shall constitute a default.

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 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 30th day of January, 2003.

Handwritten signature of Jesse White in black ink, with a horizontal line underneath and a diagonal slash with the initials 'hw' to the right.

Jesse White
Secretary of State
State of Illinois

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