

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

\_\_\_\_\_  
**IN THE MATTER OF:** )  
 )  
 )  
**UNIFIED WORLDWIDE TRANSPORT, LLC A.K.A.** )  
**UNIFIED WORLDWIDE TELECOM, BETTY GAIL** )  
**HOWARD, KKJ HOLDINGS, LLC, and JAMES K.** )  
**JEDYNAK** )  
\_\_\_\_\_ )

**FILE NO. 0700099**

**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENTS:**      Unified Worldwide Transport, LLC  
                                 a.k.a. Unified Worldwide Telecom  
                                 C/O Registered Agent B. Gail Howard  
                                 1620 26th Street, Ste 2040-N  
                                 Santa Monica, CA 90404

                                 Unified Worldwide Transport, LLC  
                                 a.k.a. Unified Worldwide Telecom  
                                 C/O Registered Agent B. Gail Howard  
                                 24353 Mornington Dr.  
                                 Valencia, CA 91355

                                 Betty Gail Howard  
                                 a.k.a. Gail Howard a.k.a B. Gail Howard  
                                 24353 Mornington Dr.  
                                 Valencia, CA 91355

                                 Betty Gail Howard  
                                 a.k.a. Gail Howard a.k.a B. Gail Howard  
                                 1620 26th Street, Ste 2040-N  
                                 Santa Monica, CA 90404

                                 KKJ Holdings, LLC  
                                 C/O Scott L. Ruther  
                                 10108 Summer Oak Lane  
                                 Las Vegas, NV 89134

## Temporary Order of Prohibition

KKJ Holdings, LLC  
C/O James Jedynek  
1235 Shermer Rd.  
Northbrook, IL 60062

KKJ Holdings, LLC  
C/O James Jedynek  
2222 Bracken Lane  
Northfield, IL 60093

James K. Jedynek  
1235 Shermer Rd.  
Northbrook, IL 60062

James K. Jedynek  
2222 Bracken Lane  
Northfield, IL 60093

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:

**NATURE OF THE CASE**

Respondents engaged in massive fraud, whereby through multiple misrepresentations, false financial statements and continued acts of deception, Respondents induced Illinois investors and others to purchase over \$10,000,000.00 of partnership interests in Unified Worldwide Transport, LLC ("UWT"). Respondents represented UWT as a fast growing profitable voice-over internet telecommunications company. In reality, UWT had little business activity and merely acted as a conduit for the Respondents to convert investors' money for personal use.

**Fraud in the Offer and Sale of Securities**  
(Transactions Relating to Investor 1)

1. Respondent Unified Worldwide Transport, LLC is a business entity. UWT is registered as a California limited liability company. California Corporate records indicate that UWT's address is 1620 26th Street, Ste 2040-N, Santa Monica, CA 90404.
2. Respondent Betty Gail Howard ("Howard") is a natural person. Respondent Howard's last known address is 24353 Mornington Dr., Valencia, CA. 91355. At all relevant times, Respondent Howard was the President and CEO of Respondent UWT.

## Temporary Order of Prohibition

3. Respondent KKJ Holdings, LLC ("KKJ") is a business entity. Illinois Secretary of State records indicate that KKJ is a Nevada LLC with a principal office at 10108 Summer Oak Lane, Las Vegas, NV 89134.
4. Respondent James K. Jedynak ("Jedynak") is a natural person. Respondent Jedynak's last known address is 2222 Bracken Lane, Northfield IL 60093. At all relevant times, Respondent Jedynak was the managing member of Respondent KKJ.
5. Respondent Jedynak also conducted business as Asset Protection Inc., Prosperous Endeavors Limited Partnership, Unlimited Options, Inc, Pacific Coast Holdings Group, LLC, KKJ Holdings II, Inc., KKJ Holdings III, LLC, and KKJ Holdings IV, LLC.
6. In or around November of 2003, Respondent Jedynak contacted an Illinois Investor ("Investor 1") regarding investing in UWT. At the time, Respondent Jedynak was a financial advisor to Investor 1.
7. Respondent Jedynak had a previous relationship with Investor 1, in which he was compensated for reviewing investment proposals on behalf of Investor 1.
8. Respondents Jedynak and Howard provided Investor 1 with statements indicating that UWT's profits for September of 2003 were approximately \$600,000.00, and that projected profits would grow to 1.3 million dollars per month by December of 2004.
9. Shortly thereafter, Respondents provided Investor 1 with revised profit and loss statements indicating that projected profits for November of 2003 were approximately \$640,000.00, and that profits were expected to grow to \$9,189,838 per month by December of 2004.
10. In fact, contrary to the representations of the Respondents and unknown to Investor 1, UWT had never been profitable. In fact, UWT did not even have any significant sources of revenue, let alone profits.
11. At all relevant times, Respondents did not have any reasonable basis to project profits in the future.
12. Respondents represented that Investor 1 could purchase a 1% interest in UWT for \$750,000.00.
13. In or around January of 2004, based upon the Respondents' false representations, Investor 1 paid \$750,000.00 for what Respondents claimed was a 1% membership interest in UWT.
14. In or around April 2004, Respondent Howard wrote to Investor 1 claiming that she was "happy to report that UWT LLC is meeting its projections and positioned for rapid growth."

## Temporary Order of Prohibition

15. Howard knew or should have known that the claim of UWT meeting its projections (outlined in paragraphs 8 and 9) would be misleading. In fact, UWT's financial position was drastically different than their previous projections.
16. During 2004, Respondents provided Investor 1 spreadsheets showing UWT's earnings. These spreadsheets demonstrated that the UWT was profitable and that its earnings were increasing by hundreds of thousands dollars each month.
17. At the time Respondents made these claims, UWT did not even have any significant sources of revenue, let alone profits.
18. In or around December of 2004, Investor 1, based upon the false representations of the Respondents, purchased an additional 22,222 units for the sum of \$600,000.00.
19. The activities described above constitute the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq.*] (the "Act").
20. 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."
21. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities, which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
22. 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 the light of the circumstances under which they were made, not misleading.
23. Section 12.H of the Act states that it shall be a violation of the provisions of this Act for any person to, "sign or circulate any statement, prospectus, or other paper or document required by any provision of this Act or pertaining to any security knowing or having reasonable grounds to know any material representation therein contained to be false or true."
24. Section 12.I of the Act states that it shall be a violation of the provisions of this Act for any person to, "employ any device, scheme, or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
25. By virtue of the foregoing, Respondents violated 12.A, 12.F, 12.G, 12.H, and 12.I of the Act.

## Temporary Order of Prohibition

**Fraud in the Offer and Sale of Securities**  
(Transactions Relating to Investors 2-40)

Respondents made substantially similar representations to over 40 other Illinois Investors.

26. On or around April 9, 2005 Respondents Jedynek and Howard held a meeting in Illinois for all UWT investors.
27. During that meeting, Respondents Jedynek and Howard represented that:
  - a. UWT had experienced consistent revenue growth since its inception.
  - b. UWT achieved profitability.
  - c. UWT had contracts with over 40 carrier customers, including Tier 1 carriers.
  - d. UWT projected that operating income for 2005 was in excess of 33 million dollars.
28. Respondents knew or should have known that the representations specified above were false and misleading.
29. After April 9, 2005, Respondents continued to solicit and accept investments in UWT without taking any action to correct the previous misrepresentations.
30. With the exception of one investor, Respondents Jedynek and Howard represented that the proceeds of the investments were to be received by UWT.
31. On several occasions, Respondents Jedynek and Howard provided written direction to investors to make checks payable to Respondent KKJ Holdings. These directions stated, "Mr. Jedynek and KKJ Holdings have been authorized by UWT to accept funds on UWT's behalf" and, "Upon receipt, Mr. Jedynek and KKJ Holdings will transfer such funds to UWT."
32. The proceeds for the sales were deposited into an account in the name of KKJ Holdings. The only significant deposits in the account were the proceeds of investors' purchases of UWT.
33. Despite representing that the proceeds of the securities sales would be transferred to UWT, Respondents failed to allocate these proceeds to UWT.
34. Instead, Respondent Jedynek transferred at least \$2,700,000.00 dollars for personal expenses not related to the business of UWT. This money was used for, among other things, building a swimming pool at Jedynek's personal residence, paying for landscaping work performed at Jedynek's personal residence, and purchasing investments held in Jedynek's name.

## Temporary Order of Prohibition

35. On or around May 4, 2005, an additional \$837,302.49 was wired from the KKJ account to a bank in Idaho. Records for the wire indicate that the wire was for credit of "Jedynak Purchase."
36. The next day a warranty deed was recorded in Nez Perce County, naming James Jedynak and Wendy Jedynak as the grantees.
37. Respondent Jedynak also transferred at least \$2,800,000.00 from the KKJ account directly to Howard. In addition, Jedynak transferred significant sums to entities controlled by Howard.
38. Respondents failed to disclose any of the payments to Jedynak or Howard. In fact, as recent as January of 2007, Respondent Jedynak told investors that KKJ Holdings transferred every dollar it received from investors to UWT.
39. 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."
40. Section 12. F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities, which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
41. 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 the light of the circumstances under which they were made, not misleading.
42. Section 12.H of the Act states that it shall be a violation of the provisions of this Act for any person to, "sign or circulate any statement, prospectus, or other paper or document required by any provision of this Act or pertaining to any security knowing or having reasonable grounds to know any material representation therein contained to be false or true."
43. Section 12.I of the Act states that it shall be a violation of the provisions of this Act for any person to, "employ any device, scheme, or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
44. By virtue of the foregoing, Respondents violated 12.A, 12.F, 12.G, 12.H, and 12.I of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Unified Worldwide Transport, LLC a.k.a. Unified Worldwide Telecom, Betty Gail Howard, KKJ Holdings, LLC, James K. Jedynak** and each

## Temporary Order of Prohibition

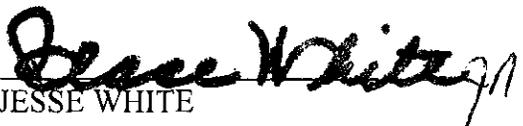
of Respondents' partners, members, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from offering or selling securities in or from the State of Illinois until the further Order of the Secretary of State.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **James K. Jedynek** is **PROHIBITED** from engaging in the business of an investment advisor in or from the State of Illinois 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 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.

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

Dated: This 21<sup>st</sup> day of November, 2007.

  
JESSE WHITE  
Secretary of State  
State of Illinois

Angela P. Angelakos  
James J. Nix  
Attorneys for the Office of the Secretary of State  
Illinois Securities Department  
69 W. Washington, Suite 1220  
Chicago, Illinois 60602  
Telephone: (312) 793-3384