

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: SKB CONSULTING, LLC, )  
ITS OFFICERS, DIRECTORS, )  
EMPLOYEES, AFFILIATES, SUCCESSORS, ) File No.0700216  
AGENTS AND ASSIGNS, )  
AND SCOTT A. SMITH )  
)

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ORDER OF PROHIBITION

TO THE RESPONDENTS: SKB Consulting, LLC  
Scott A. Smith  
3701 Highway 5 North, Suite 208  
Bryant, Arkansas 72022

WHEREAS, the record of the above captioned matter has been reviewed by the Secretary of State or his duly authorized representative;

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State;

WHEREAS, the proposed Findings of Facts and Conclusions of Law and Recommendations of the Hearing officer, Jon K. Ellis, in the above-captioned matter have been read and examined;

WHEREAS, the following proposed Findings of Fact are correct and are adopted by the Secretary of State as follows:

1. The pleadings, Exhibits and testimony have been offered and received from the Department and the Respondents, and a proper record of all proceedings has been made and preserved as required by law.
2. The Hearing Officer has ruled on all motions and objections timely made and submitted.
3. The Hearing Officer and the Secretary of State Securities Department have jurisdiction over the parties herein and subject matter dealt with herein, due and proper notice having been previously given as required by statute in this Matter.

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4. The Respondent, SKB Consulting, LLC, is a purported business entity with a last known address of 3701 Highway 5 North, Suite 208, Bryant, Arkansas 72022.
5. At all times relevant, the Respondent, Scott A. Smith, was an Officer, Director, Agent or Employee of SKB Consulting, LLC.
6. On or about April 9, 2007, the Respondent, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, including Scott A. Smith, stated on its website that "SKB has over 100 sources to ensure that you get the most beneficial loan program that fits your needs."
7. As of July 10, 2007, the aforesaid website continued to appear on the Internet in the State of Illinois.
8. The Respondent, SKB Consulting, LLC, is a loan broker as that term is defined pursuant to Section 15-5.15 of the Act.
9. Section 15-85(b)(1) of the Act provides, inter alia, that it is prohibited under the Act for a loan broker to either directly or indirectly act as a loan broker without registration under the Act unless exempt under the Act.
10. Section 15-10 of the Act provides, inter alia, that it shall be unlawful for any person to engage in the business of loan brokering unless registered under the Act.
11. At all times relevant hereto, the Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, failed to file an application for registration as a loan broker with the Secretary of State.
12. By virtue of the foregoing, the Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, have violated Sections 15-85(b)(1) and 15-10 of the Act.

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13. Section 15-55(a) of the Act provides, inter alia, that if the Secretary of State determines, after notice and opportunity for a hearing, that a person has violated the Act, the Secretary of State may in addition to all other remedies, impose an administrative fine upon the person in an amount not to exceed \$10,000.00 for each violation of the Act.
14. Section 15-55(c) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated any provision of the Act, the Secretary of State may, by written order temporarily or permanently prohibit or suspend such person from acting as a loan broker.
15. Section 15-55(d) of the Act provides, inter alia, that if the Secretary of State shall find any person is acting or has acted as a loan broker as defined in Section 15-5.15 of the Act, without prior thereto or at the time thereof having complied with the registration requirements of the Act, the Secretary of State may by written order prohibit such person from acting as a loan broker in the State.
16. By virtue of the foregoing, the Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, are subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from acting as a loan broker in the State of Illinois.
17. The entry of a Final Order of Prohibition and a fine is proper in this case, given the conduct of the Respondents as described in Secretary of State Exhibits No. 1-5 and the testimony presented at the hearing.

WHEREAS, the following proposed Conclusions of Law are correct and are adopted by the Secretary of State as follows:

1. The actions, statements, representations, and/or omissions of the Respondents made in connection with the failure to act as loan brokers in accordance with the provisions of the Act are violations of Section 15-10 and 15-85(b)(1) of the Act.

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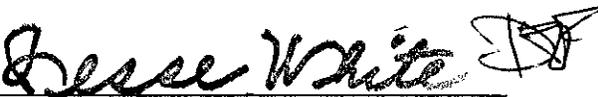
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2. By virtue of the foregoing, the Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, are subject to an Order of permanent Prohibition in the State of Illinois, a fine of up to \$10,000.00 for each violation of the Act, and/or granting such other relief as may be authorized under the Act.
3. Because of the Findings of Fact, the pleadings, Exhibits, and testimony presented at the hearing, the entry of a written Order of Prohibition pursuant to Section 15-55(c) and (d) of the Act that permanently prohibits the Respondents from acting as a loan broker in the State of Illinois and a fine of up to \$10,000.00 for each violation of the Act are proper in this Matter.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, are permanently prohibited from acting as loan brokers in the State of Illinois; and
2. Respondents, SKB Consulting, LLC, by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Scott A. Smith, shall, with joint and several liability, pay a fine of \$5,000.00 for violations of the Act within 30 days of the entry of this Order.

ENTERED: This 25<sup>th</sup> day of September, 2007

  
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Jesse White  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 15-85(b)(2) of the Act. Any person or entity who fails to comply with the terms of this Order of the

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Secretary of State, having knowledge of the existence of the 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, Section 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.

Attorney for the Secretary of State:

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