

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: ERUDITE SYSTEMS, INC.,)
ITS OFFICERS, DIRECTORS, EMPLOYEES) File No. 0500191
AFFILIATES, SUCCESSORS, AGENTS)
AND ASSIGNS AND BILL PRUIM JR.,)
)
)

NOTICE OF HEARING

TO THE RESPONDENT: Erudite Systems, Inc.
Bill Pruim Jr.
Box 351
Ingersol, ON N5C 3B3

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 et seq.] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 West Jefferson St. Suite 300A, Springfield, Illinois 62702, on the 19th day of April, 2006 at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis, or such other 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 the Respondents in the State of Illinois and granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to Section 11 of the Act, payable within ten (10) days of the entry of the Order.

The grounds for such proposed action are as follows:

1. Erudite Systems Inc. is a purported foreign business entity with a last known business address of Box 351 Ingersol ON N5C 3B3;

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2. That Bill Pruim Jr. is the purported President of Erudite Systems, Inc;
3. That on or about July 31, 2002, the Respondents offer and sold to an Illinois resident \$50,000 in High Performance Notes issued by Zurich Global Trust, A.G.;
4. That on or about June 13, 2003, the Respondents offered and sold to an Illinois resident a promissory note for the sum of \$119,844 in Canadian currency at a rate of 15% interest for a balance of principal and interest of \$137,820.60 in Canadian Currency to be paid on November 17, 2003 issued by Platinum Investment Group;
5. That the above-referenced promissory note and High Performance Notes are not registered with the Illinois Securities Department;
6. The Promissory note and High Performance Notes are securities as that term is defined under Section 2.1 of the Act;
7. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2.A of the Act, or those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
8. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
9. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provision of the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 of the Act;
10. That by virtue of the foregoing, Erudite Systems, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns and Bill Pruim Jr. have violated Sections 12.A and 12.D of the Act;

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11. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State; and
12. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation 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 or a Special Appearance pursuant to Section 130.1107 of the Rules, or other responsive pleading within thirty days of the receipt of this notice. Your failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a 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.

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 Respondents.

Dated this 16th day of February, 2006.

 *Jesse White* 

Jesse White
Secretary of State
State of Illinois

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Attorney for the Secretary of State:

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Illinois Securities Department

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Hearing Officer:

Jon Ellis

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