

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

---

IN THE MATTER OF: J & R FINANCIAL GROUP, INC. )  
ITS OFFICERS, DIRECTORS, )  
EMPLOYEES, AGENTS, AFFILIATES, ) FILE NO: 0200391  
SUCCESSORS, AND ASSIGNS AND )  
RONALD PROVART AND JAMES A )  
BLACKBURN )

---

ORDER OF PROHIBITION

TO THE RESPONDENTS: J & R Financial Group, Inc.  
3805 Kingsley Dr.  
Springfield, Ill 62707

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 Recommendation of the Hearing officer, John K. Ellis, in the above-captioned matter have been read and examined; and

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

1. The evidence, exhibits and testimony have been offered and received from all parties and a proper record of all proceedings has been made and preserved as required.
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 the subject matter dealt with

Order of Prohibition

-2-

herein, due and proper notice having been previously given as required by statute in this case.

4. As no answer, special appearance or other responsive pleading was filed, the Respondent is therefore deemed to be in default.
5. That J & R Financial Group, Inc. is a purported business entity with a last known business address of 3805 Kingsley Dr., Springfield, Illinois 62707;
6. That on or about June 3, 1998 to December 31, 2001, J & R Financial Group, Inc. by and through its agents, Ronald Provart and James A. Blackburn, offered and sold to at least one Illinois resident a promissory notes in the amount of \$25,000 and paying interest in the amount of 12 percent per annum compounded monthly;
7. That the above-referenced promissory notes are securities as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
8. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2A 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;
9. 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;
10. 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 provisions of the Act;
11. That at all times relevant hereto, J & R Financial Group, Inc. failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;

Order of Prohibition

-3-

12. That by virtue of the foregoing, the Respondent, J & R Financial Group, Inc. has violated Sections 12.A and D of the Act;
13. 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; and
14. That by virtue of the foregoing, J & R Financial Group, Inc. its officers, directors, employees, agents, affiliates, successors and assigns is subject to a fine of up to \$10,000.00 per violation.
15. The entry of a Final Order of Prohibition in this case, given the conduct of the Respondent as described in Secretary of State Exhibits No. 1-8, as well as the fact that the Respondent failed to appear at the hearing and properly answer the charges.

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

1. After proper notification, the Complainant may proceed with a hearing in the Respondent's absence. (735 ILCS 5/1-105 and 5/2-1301; Ryan v. Bening, 1978, 22 Ill. Dec. 873, 66 Ill. App.3d 127, 383 N.E.2d 681; Koenig v. Nardullo, 1968, 99 Ill. App. 480, 241 N.E.2d 567) Significantly, the Notice of Hearing outlines that a default judgment may be entered against a Respondent who fails to appear or answer the charge(s).
2. The Respondent's actions, representations, and/or omissions which were made in connection with a general solicitation and an offer or sale of an unregistered security are a violation of 815 ILCS 5/12.A. The Respondent's actions, representations, and/or omissions made in connection with a failure to file the required Application for Registration with the Secretary of State are violations of 815 ILCS 5/12.D.
3. That by virtue of the foregoing, the Respondent is subject to a Permanent Order of Prohibition in the State of Illinois and/or granting such other relief as may be authorized under the Act.

Order of Prohibition

-4-

4. Because of the Findings of this Order, the documents admitted as Secretary of State Exhibits Numbers 1-8, the testimony, as well as the fact that the Respondent failed to answer the charges or appear at the hearing, the entry of a written Order pursuant to 815 ILCS 5/11.E(2) of the Act which permanently prohibits the offer or sale of securities by the Respondent in the State of Illinois is proper in this matter.

WHEREAS, the proposed Recommendation of the Hearing Officer is adopted by the Secretary of State.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to the foregoing Findings of Fact, Conclusions of Law, and the Recommendation of the Hearing Officer, the Respondent, J & R Financial Group, Inc., is permanently prohibited from offering or selling securities in the State of Illinois.

ENTERED: This 29<sup>th</sup> day of October, 2004



Jesse White  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this 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 Act (14 Ill. Admin. Code, Ch. I, Sec. 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.