

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Q-2 SYNERGY, INC.,)
a/k/a FREEDOM SYSTEMS)
INTERNATIONAL,)
ITS OFFICERS, DIRECTORS,)
EMPLOYEES, AGENTS, AFFILIATES,) File No. 0300668
SUCCESSORS AND ASSIGNS AND)
DUDLEY GEE)

SUMMARY ORDER TO CEASE AND DESIST

TO THE RESPONDENT: Q-2 Synergy, Inc.,
a/k/a Freedom Systems International
2954 N.W. Astor St.
Camas, WA 98607

Dudley Gee
2954 N.W. Astor St.
Camas, WA 98607

On information and belief, I, Jesse White, Secretary of State, for the State of Illinois, through my designated representative, having been fully apprised in the premises by the staff of the Illinois Securities Department, Office of the Secretary of State, herein find:

Count I (Section 5-25)

1. That the Respondent, Q-2 Synergy, a/k/a Freedom Systems International, is a purported business entity with a last known address of 2954 N.W. Astor St., Camas, Washington 98607;

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2. That, at all times relevant, Respondent Dudley Gee was an officer, director, agent or employee of Q-2 Synergy, a/k/a Freedom Systems International.
3. That on or about July 18, 2002, Q-2 Synergy, a/k/a Freedom Systems International, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, offered and/or sold to at least one (1) resident of the State of Illinois, an opportunity to purchase supplies, equipment or services purportedly sufficient to enable the Illinois resident to start a business through which the resident would purchase for \$15,000 and received assistance in setting up a Nevada Corporation, a web site, contracts for sales people, a full one day training, a training manual, as well as product processing and distribution, product flyers, product brochures and business cards, sufficient to start a business selling a financial education and credit repair service;
4. That Q-2 Synergy, a/k/a Freedom Systems International, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, represented, directly or indirectly, to the Illinois resident that they would provide the Illinois resident with certain products, equipment and/or services enabling the Illinois resident to start a business following a required payment to Q-2 Synergy, a/k/a Freedom Systems International, of more than \$500.00;
5. That Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, represented to the Illinois resident, either directly or indirectly, that they would provide a marketing plan;
6. That Section 5-5.10(a) of the Illinois Business Opportunity Sales Law of 1995, [815 ILCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a 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 where the purchaser is required to make a payment to the seller of more than \$500.00 and the seller represents either directly or

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indirectly, that the seller, or a person recommended by the seller, will provide a marketing plan, provide or assist the purchaser in finding outlets or accounts for the purchaser's products or services, and/or guarantees that the purchaser will derive income from the business which exceeds the price paid to the seller;

7. That the above-referenced promotion, solicitation or offer constitutes an offer of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
8. 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 the State of Illinois unless that business opportunity is registered under the Act or is exempt from registration under Section 5-10 of the Act;
9. That at all times relevant, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, failed to obtain or file for registration of the above-referenced business opportunity prior to any offer or sale in the State of Illinois;
10. That by virtue of the foregoing, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, have violated Section 5-25 of the Act;
11. That, as of the date of this Summary Order, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, have not registered the above-referenced business opportunity in accordance with the provisions of the Act;
12. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged or is about to engage in any act or practice constituting a violation of the Act, the Secretary of State may issue an Order directing such person to cease and desist from engaging in any act or practice constituting a violation of any provision of the Act;

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13. That based upon the foregoing, the Secretary of State hereby deems it necessary, in order to prevent Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, from engaging in any act or practice in violation of the Act, to enter a Summary Order to Cease and Desist pursuant to the authority provided under Section 5-65 of the Act; and
14. That based upon the foregoing, the Secretary of State has determined that the issuance of a Summary Order to Cease and Desist is in the public interest and is consistent with the purposes of the Act.

Count II (Section 5-95)

1-7 Paragraphs 1 through 7 of Count I are re-alleged and incorporated as Paragraphs 1-7 of this Count II;

That on or about July 17, 2002, Respondent Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, entered into a contract with at least one (1) Illinois resident which stated that in exchange for payment of \$15,000, Respondent would provide the following as part of the aforementioned business opportunity:

- a. a completely set up Nevada Corporation with corporate name chosen by the purchaser, including payment of all registration fees and a wall plaque;
- b. a personalized web site;
- c. a fifteen minute power point presentation;
- d. contracts for all "sales people";
- e. newspaper ads to search for "sales people";
- f. one full day of training by respondent's president;
- g. business cards, product flyers and brochures;

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- h. A guarantee that if the Illinois resident's small business center was not operating on a profitable basis after a period of ninety days, Respondent would aid the Illinois resident in re-selling the business;
9. That Section 5-95 of the Act provides, inter alia, that it is unlawful for any person, in connection with the offer or sale of any business opportunity in this State, directly or indirectly to employ any device, scheme or artifice to defraud, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;
10. That at all times relevant, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, in connection with the offer or sale of the aforesaid business opportunity and upon receiving payment of \$15,000, failed to provide the aforementioned Illinois resident with the following:
- a. a completely set up Nevada Corporation with corporate name chosen by the purchaser, including payment of all registration fees and a wall plaque;
 - b. a personalized web site;
 - c. a fifteen minute power point presentation;
 - d. contracts for all "sales people";
 - e. newspaper ads to search for "sales people";
 - f. one full day of training by respondent's president;
 - g. business cards, product flyers and brochures;
 - h. aid in re-selling the aforementioned small business center upon its failure to operate as a profitable basis after 90 days;

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11. That by virtue of the foregoing, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, have violated Section 5-95 of the Act;
12. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged or is about to engage in any act or practice constituting a violation of the Act, the Secretary of State may issue an Order directing such person to cease and desist from engaging in any act or practice constituting a violation of any provision of the Act;
13. That based upon the foregoing, the Secretary of State hereby deems it necessary, in order to prevent Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, from engaging in any act or practice in violation of the Act, to enter a Summary Order to Cease and Desist pursuant to the authority provided under Section 5-65 of the Act;
14. That based upon the foregoing, the Secretary of State has determined that the issuance of a Summary Order to Cease and Desist is in the public interest and is consistent with the purposes of the Act.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 5-65 of the Act, Q-2 Synergy, a/k/a Freedom Systems International, its officers, directors, employees, agents, affiliates, successors and assigns, including Dudley Gee, are to CEASE and DESIST from offering and/or selling business opportunities in the State of Illinois or to residents of the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to the Securities Director, Illinois Securities Department, 520 South Second Street, Suite 200, Springfield, Illinois 62701. Such request must be made within thirty (30) days of the entry of this Summary Order to Cease and Desist. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Summary Order to Cease and Desist.

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FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS SUMMARY ORDER TO CEASE AND DESIST SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE CEASE AND DESIST ORDER FINAL.

ENTERED: This 17th day of September, 2003

Jesse White *JW*
JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Johan Schripsema
Illinois Securities Department
520 South Second Street, Suite 200
Springfield, Illinois 62701
Telephone: (217) 524-1688