

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: CHRISTIAN DREAM BUILDERS)
FINANCIAL PLANNING, INC.,)
ITS OFFICERS, DIRECTORS,) File No. 04000252
EMPLOYEES, AFFILIATES, SUCCESSORS,)
AGENTS AND ASSIGNS, AND)
KENNETH D. BIVENS)

NOTICE OF HEARING

TO THE RESPONDENT: Christian Dream Builders
Financial Planning, Inc.
Kenneth D. Bivens
20180 Governor's Highway, Suite 310
Olympia Fields, Illinois 60461

Sidney C. Dove
1195 Masters Parkway
Aurora, Illinois 60506

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 15th day of June, 2005 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 Christian Dream Builders Financial Planning, Inc., Kenneth D. Bivens and Sidney C. Dove 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:

Count I (Violations of Sections 12.F, 12.G and 12.I)

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1. Christian Dream Builders Financial Planning, Inc. is an Illinois registered Corporation with a last known business address of 20180 Governor's Highway, Suite 310, Olympia Fields, Illinois 60461;
2. Kenneth D. Bivens ("Bivens") is the President and Incorporator of Christian Dream Builders Financial Planning, Inc.;
3. Sidney C. Dove ("Dove") is the Pastor or Elder of Light House Apostolic Faith Church located at 10 N. Edgelawn, Aurora, Illinois 60506;
4. From on or about May 1998 to the present, Sidney C. Dove, Kenneth D. Bivens and Christian Dream Builders Financial Planning, Inc. offered and sold Promissory Notes ("Notes") to Illinois investors. The Notes were for a term of 90 days and had a represented 25% return on investment. Additionally, the Notes stated that they were a legal lien against Christian Dream Builders Financial Planning, Inc. and its assigns; that in case of suit or collection proceedings against Christian Dream Builders Financial Planning, Inc. for collection of the Notes, Kenneth D. Bivens agreed to pay reasonable attorney's fee and court costs; and that Kenneth D. Bivens or his estate would be liable for the Notes in case of his death or the business dissolution of Christian Dream Builders Financial Planning, Inc.;
5. Sidney C. Dove, Kenneth D. Bivens and Christian Dream Builders Financial Planning, Inc. represented to investors both orally and in written materials that Christian Dream Builders Financial Planning, Inc. was in the real estate business (amongst other business activities) and that their investment money would be used to purchase and rehabilitate residential property for later resale;
6. From on or about May 28, 1998 to May 2004, Kenneth D. Bivens and Christian Dream Builders Financial Planning, Inc. received about \$5,955,842 in investors' funds through the offer and sale of the above referenced Promissory Notes to about 330 Illinois resident investors which were deposited into an account in the name of Christian Dream Builders Financial Planning, Inc. (the "Bank Account");
7. Also during this time period, approximately \$1,374,120 in cash, money orders, cashier's check withdrawals and

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transfers of funds to his personally held bank accounts were made by Kenneth D. Bivens from the Christian Dream Builders Financial Planning, Inc. bank account;

8. The majority of the funds deposited into the Christian Dream Builders Financial Planning, Inc. bank account originated from investor moneys and did not include any significant, identifiable income from the operation of any business, including real estate transactions, by Christian Dream Builders Financial Planning, Inc. and/or Kenneth D. Bivens. Additionally, money from new investors was used to pay back previous investors;
9. For example, on January 30, 2004 the Bank Account had a balance of \$86,765.67. Bivens solicited investments in the form of the above-described promissory notes a total of \$204,500 from eleven investors. This \$204,500 was deposited in the Bank Account on the 2nd and 3rd of February 2004. By February 12, 2004, the only deposits into the Bank Account from January 30, 2004 through February 12, 2004 were of investor money. From January 30, 2004 through February 12, 2004, Bivens wrote a total of \$186,000 in checks to previous investors and a \$54,000 check to a business entity controlled by Bivens.
10. These eleven investors were told by Bivens that their money would be used to purchase real estate property and rehabilitate the property for later sale. They were also told that the money to pay back the principal of the promissory notes and 25% interest was to come from profit from the sale of the rehabilitated property. In fact, none of their investment money was used to purchase, rehabilitate or to sell any rehabilitated real estate properties.
11. 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");
12. Section 12.F of the Act provides, inter alia, that it shall be violation of the Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchase or seller thereof;
13. Section 12.G of the Act provides, inter alia, that it shall be a violation of the Act for any person to

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obtain money or property through the sale of securities by means of any untrue statement of material fact or any omission to state a material fact necessary in order to make the statement made, in the light of the circumstances under which they were made, not misleading;

14. Section 12.I of the Act provides, inter alia, that it shall be a violation of the 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;
15. By virtue of the foregoing, Sidney C. Dove, Kenneth D. Bivens and Christian Dream Builders Financial Planning, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns have violated Sections 12.F, G and I of the Act;
16. Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection F, G or I 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;
17. 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
18. By virtue of the foregoing, Sidney C. Dove, Kenneth Bivens and Christian Dream Builders Financial Planning, Inc. are subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

Count II (Violations of 12.A, C and D)

- 1-11. Paragraphs 1-11 of Count I are re-alleged and incorporated by reference as Paragraphs 1-11 of this Count II;
12. That Sidney C. Dove acted as an agent or salesperson of Christian Dream Builders Financial Planning, Inc:

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- a. Sidney C. Dove mailed or caused to be mailed offering and transaction documents regarding the above-described securities which contained on the top of the documents the name of Light House Apostolic Faith Church, the name of Sidney Dove and his title as pastor/elder of Light House Apostolic Faith Church;
 - b. Sidney C. Dove met with individual investors to describe the investment and told investors that he also had invested. Additionally, he took completed investment documents and their initial investment proceeds from investors to Kenneth Bivens and vice versa; and
 - c. Sidney C. Dove received from Christian Dream Builder Financial Planning, Inc. \$75,562.50, of which \$18,745 was specifically described as commission payments to Dove;
13. All of the activities as described in Paragraph 12 above took place while Dove was not registered in the State of Illinois as a Salesperson;
 14. Section 8.A of the Illinois Securities Act, 816 ILCS 5/1 et seq. (the Act) provides, inter alia, that except as otherwise provided in subsection A, every salesperson shall be registered as such with the Secretary of State;
 15. Section 12.A of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in compliance with the provisions of the Act;
 16. Section 12.C of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to act as a salesperson unless registered as such, where such registration is required under the provisions of the Act;
 17. 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 required to be filed under any provision of the Act;
 18. At all times relevant hereto, Christian Dream Builder Financial Planning, Inc., Sidney C. Dove and Kenneth D. Bivens failed to file an application for registration of Sidney C. Dove as a salesperson with the Secretary

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of State and Dove was not registered with the Secretary of State during all relevant times;

19. By virtue of the foregoing, Christian Dream Builders Financial Planning, Inc., Sidney C. Dove and Kenneth D. Bivens have violated Sections 12.A, 12.C and 12.D of the Act;
20. Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection C or 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;
21. 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
22. By virtue of the foregoing, Christian Dream Builders Financial Planning, Inc., Sidney C. Dove and Kenneth D. Bivens are subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

Count III (Violations of Sections 12.A and 12.D)

- 1-3. Paragraphs 1-3 of Count I are re-alleged and incorporated as Paragraphs 1-3 of this Count III;
4. Christian Dream Builders Financial Planning, Inc. and Kenneth D. Bivens were subject to a Temporary Order of Prohibition and an Order of Prohibition issued pursuant to Section 11 of the Illinois Securities Act and dated November 8, 2004 and December 28, 2004 respectively, which prohibited them from offering or selling securities in the State of Illinois (See attached Exhibits A and B);
5. On or about December 29, 2004, Christian Dream Builders Financial Planning, Inc., Kenneth D. Bivens and Sidney C. Dove offer and sold to at least two Illinois residents Promissory Notes ("Notes"). The Notes were for a term of 90 days and had a represented 25% return on investment. Additionally, the Notes stated that they were a legal lien against Christian Dream Builders

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Financial Planning, Inc. and its assigns; that in case of suit or collection proceedings against Christian Dream Builders Financial Planning, Inc. for collection of the Notes, Kenneth D. Bivens agreed to pay reasonable attorney's fee and court costs; and that Kenneth D. Bivens or his estate would be liable for the Notes in case of his death or the business dissolution of Christian Dream Builders Financial Planning, Inc.;

6. The above-referenced Promissory Notes are a security 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");
7. Section 12.A of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in compliance with the provisions of the Act;
8. Section 12.D of the Act provides, inter alia, that it shall be a violation of the provision of the Act for any person to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 of the Act;
9. By virtue of the foregoing, Christian Dream Builders Financial Planning, Inc., Sidney C. Dove and Kenneth D. Bivens have violated Sections 12.A and 12.D of the Act;
10. 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;
11. 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
12. By virtue of the foregoing, Christian Dream Builders Financial Planning, Inc., Sidney C. Dove and Kenneth D. Bivens are subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

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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 23rd day of March, 2005.

Jesse White &
Jesse White
Secretary of State
State of Illinois

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