

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: ACCELERATED RETURNS, INC. )  
ITS OFFICERS, ) File No. 0500535  
DIRECTORS, EMPLOYEES, AFFILIATES, )  
SUCCESSORS, AGENTS AND ASSIGNS, )  
WILLIAM R. WRAGG )

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NOTICE OF HEARING

TO THE RESPONDENT: Accelerated Returns, Inc.  
William R. Wragg

C/o Allan Garrow  
Nealis and Garrow  
510 S. Batavia Ave.  
Batavia, Illinois 60510

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 18th day of January, 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 Accelerated Returns, Inc. and William R. Wragg 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:

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1. Accelerated Returns, Inc. ("Accelerated Returns") is an Illinois registered corporation with a last known business address of 1218 Scenic Road, Dekalb, Illinois;
2. At all times relevant, William R. Wragg (also known as Ray Wragg hereinafter "Wragg"), was the registered agent and principal of Accelerated Returns;
3. From on or about September 26, 2005 through October 11, 2005, Accelerated Returns and Wragg through the internet webpage address of [www.acceleratedreturns.com](http://www.acceleratedreturns.com) offered investments in promissory notes issued or issuable by Accelerated Returns and/or Wragg with interest rates from 10-20% and maturity periods of up to 3.5 months;
4. Accelerated Returns and/or Wragg have issued Promissory notes to approximately 60 Illinois investors and approximately 10 out of state investors and has raised approximately \$1.4 million dollars;
5. The Promissory Notes and any other security issued or issuable by Accelerated Returns were not registered by Accelerated Returns and/or Wragg with the Illinois Secretary of State;
6. The Promissory Notes offered and sold by Accelerated Returns and/or Wragg 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

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order of the Secretary of State issued pursuant to Section 11 of the Act;

10. That by virtue of the foregoing, William R. Wragg and Accelerated Returns, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns have violated Sections 12.A and 12.D of the Act;
11. That Section 11.F.(2) of the Act provides, inter alia, that the Secretary of State may temporarily suspend or prohibit the offer or sale of securities by any person if the Secretary of State in his or her opinion, based upon credible evidence, deems it necessary to prevent an imminent violation of the Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
12. 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
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.

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.

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Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondents.

Dated this 28<sup>th</sup> day of November, 2005.



Jesse White  
Jesse White  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

David Finnigan  
Illinois Securities Department  
300 West Jefferson St., Suite 300A  
Springfield, Illinois 62702  
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Hearing Officer:

Jon Ellis  
1035 S. 2<sup>nd</sup> St.  
Springfield, Illinois 62704  
217-528-6835  
Fax 217-528-6837