

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

---

IN THE MATTER OF: EAGLES WING PUBLISHING COMPANY, INC., )  
THEIR OFFICERS, DIRECTORS, )  
EMPLOYEES, AFFILIATES, SUCCESSORS, ) File No.0600070  
AGENTS AND ASSIGNS, )  
AND LAWRENCE J. CLINE )  
)

---

NOTICE OF HEARING

TO THE RESPONDENT: Lawrence J. Cline  
Eagles Wing Publishing Company, Inc.  
112-B West Washington Street  
Effingham, Illinois 62401

Lawrence J. Cline  
Eagles Wing Publishing Company, Inc.  
2404 Cumberland Ct.  
Effingham, Illinois 62401

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 Street, Suite 300A, Springfield, Illinois 62702, on the 15th day of November, 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.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Lawrence J. Cline and Eagles Wing Publishing Company, Inc. (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. That Respondent, Eagles Wing Publishing, Inc. (hereinafter, "Eagles Wing Publishing"), is a purported business entity with last known addresses of 112-B West Washington Street,

Notice of Hearing

-2-

Effingham, Illinois 62401 and 2404 Cumberland Ct.,  
Effingham, Illinois 62401;

2. That at all times relevant, the Respondent, Lawrence J. Cline, (hereinafter, "Cline") was the President of Eagles Wing Publishing;
3. That on or about February 6, 2004, Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to EP, an Illinois resident, 20 shares of Eagles Wing Publishing Company, Inc. for a total investment amount of \$15,000;
4. That each of the above referenced shares is 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");
5. That Section 5 of the Act provides, inter alia, that all securities except 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;
6. 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;
7. That at all times relevant hereto, Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, 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;
8. That by virtue of the foregoing, Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, have violated Sections 12.A of the Act;
9. That on or about the aforementioned date, Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, represented to EP that Respondents would invest EP's funds

Notice of Hearing

-3-

entirely into Eagles Wing Publishing Company and its development as a successful business;

10. That Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, never invested EP's funds into the Eagles Wings Publishing business as represented, but rather, upon opening a business checking account under the name of Eagles Wing Publishing Company, Respondent Cline wrote checks from this account to Cline's personal account, as well as checks to pay off personal loans, checks to purchase gold and jewelry, and checks payable to an entity called the Christian Outreach Center, all without the knowledge of, or authority from, EP;
11. That as of this date, EP has receive no return of any kind from his investment;
12. That Section 12.G of the Act provides, inter alia, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;
13. That at all times relevant hereto, Respondents Cline and Eagles Wing Publishing, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, obtained money or property from EP, an Illinois resident, by means of an untrue statement of material fact or an omission to state a material fact by representing to EP that Respondents would invest EP's funds entirely into Eagles Wing Publishing Company and its development as a successful business when, in fact, Respondents never invested EP's funds into the Eagles Wings Publishing business as represented, but rather, upon opening a business checking account under the name of Eagles Wing Publishing Company, Respondent Cline wrote checks from this account to Cline's personal account, as well as checks to pay off personal loans, checks to purchase gold and jewelry, and checks payable to the "Christian Outreach Center", all without the knowledge of, or authority from, EP;
14. That by virtue of the foregoing, Respondents Cline and Eagles Wing Publishing, their Officers, Directors,

Notice of Hearing

-4-

Employees, Agents, Affiliates, Successors and Assigns, have violated Sections 12.G of the Act;

15. 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 G 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;
16. That Section 11.E(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is engaging or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
17. 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, as well as the costs of investigation and reasonable expenses;
18. That by virtue of the foregoing, the Respondents Lawrence J. Cline and Eagles Wing Publishing, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, are subject to a fine of up to \$10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

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.

Notice of Hearing

-5-

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.

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

Dated this 29<sup>th</sup> day of September, 2006.



Jesse White  
Jesse White  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

Johan Schripsema  
Illinois Securities Department  
Jefferson Terrace, Suite 300A  
300 West Jefferson Street  
Springfield, Illinois 62702

Hearing Officer:

Jon K. Ellis  
1035 South 2<sup>nd</sup> Street  
Springfield, Illinois 62704  
Telephone (217) 528-6835  
Fax: (217) 528-6837