

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: USA PROPERTIES OF ILLINOIS, INC. )  
ITS OFFICERS, DIRECTORS, ) File No. 0400773  
EMPLOYEES, AFFILIATES, SUCCESSORS, )  
AGENTS AND ASSIGNS AND ZIA AHMED )

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TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS: USA Properties of Illinois, Inc.  
Zia Ahmed  
39W 032 Johnson Road  
St. Charles, Illinois 60175

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

1. USA Properties of Illinois, Inc. ("USA Properties") is an Illinois registered corporation incorporated June 2, 2004.
2. Zia Ahmed is the President and registered agent of USA Properties of Illinois, Inc.
3. On or about September 18, 2004, USA Properties and Zia Ahmed offered and sold to JD, an Illinois resident, for \$50,000, a Single Deferred Note for a term of 5 years, with an interest rate of 6% and offering withdrawals of funds after the first year not to exceed 10% with a 5% penalty for withdrawals over 10% (A copy of the note is attached as Exhibit A).
4. Zia Ahmed told JD that USA Properties was in the business of commercial property transactions and that the investment would be used for buying and selling commercial properties.

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5. Zia Ahmed failed to disclose to JD that USA Properties had been incorporated for only 3 months at the time of issuance of the Note described above.
6. On or about May 8, 2006, USA Properties and Zia Ahmed offered and sold to JZ and LZ, Illinois residents, husband and wife both over the age of 80 at the time of sale, two 10 year Notes with a stated interest of 6% per year for the first note and 6.5% for the second. The first note was in the amount of \$65,000 and dated May 10, 2006 and the second was in the amount of \$80,000 and dated June 7, 2006 (Copies of the notes are attached as Exhibits B and C).
7. In return for the Notes, JZ and LZ provided a check to Zia Ahmed and USA Properties for \$145,000. The funds for this check and investment came from the sale of variable annuity they owned and which Zia Ahmed recommended they sell in order to invest with him and USA Properties, Inc. Zia Ahmed's recommendation to sell JZ and LZ's Variable Annuity resulted in an early surrender penalty of \$9,295.18.
8. Zia Ahmed failed to disclose to JZ and LZ that by selling their variable annuity early and investing the proceeds with USA Properties they would immediately lose \$9,295.18 of their retirement funds.
9. After JZ and LZ invested in USA Properties, their daughter KG asked Zia Ahmed for an update on the investment. Zia Ahmed told her "Don't worry, the investment has already made \$40,000 in the first three months."
10. The above-referenced 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").
11. 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.
12. Section 12.A of the Act provides, inter alia that it shall be a violation of the Act for any person to offer

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or sell any security except in accordance with the provisions of the Act.

13. 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.
14. Section 12.F of the Act provide, inter alia, that it shall be a violation of the Act for any person to engage in nay 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 purchaser or seller thereof.
15. 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 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.
16. At all times relevant hereto, USA Properties of Illinois, Inc. and its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns and Zia Ahmed failed to register their securities prior to their offer and sale in the State of Illinois.
17. That by virtue of the foregoing, USA Properties of Illinois, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns and Zia Ahmed have violated Sections 12.A , 12.D, 12.F and 12.G of the Act.
18. 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.
19. That based upon the foregoing, the Secretary of State deems it necessary, in order to prevent imminent and

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additional violations of the Act, and to prevent losses to investors as a result of the referenced prior violation of the Act, to enter an order pursuant to the authority granted under Section 11.F of the Act which prohibits USA Properties of Illinois, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns and Zia Ahmed from offering and/or selling securities in the State of Illinois.

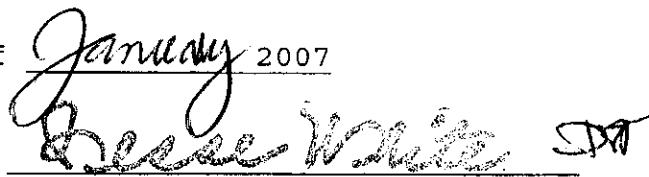
20. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order is in the public interest and is consistent with the purposes of the Act.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, USA Properties of Illinois, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns and Zia Ahmed are hereby PROHIBITED from offering and/or selling securities in or from the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondent may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 W. Jefferson St., Suite 300A, Springfield, Illinois 62702. Such request must be made within thirty (30) days of the date of entry of this Temporary Order. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for ninety days from the date the hearing request is received by the Department.

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

ENTERED: This 29<sup>th</sup> day of January 2007

  
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JESSE WHITE  
Secretary of State  
State of Illinois

For the Secretary of State: David Finnigan  
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