

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

**IN THE MATTER OF: AMERICA'S BEST
FINANCIAL SERVICES, INC. AND
RICHARD SCHOLL**

File No. C0600400

NOTICE OF HEARING

TO THE RESPONDENTS:

AMERICA'S BEST FINANCIAL SERVICES, INC.
Attn: Richard Scholl
203 McKinley Street
St. Charles, Illinois 60174

RICHARD SCHOLL
203 McKinley Street
St. Charles, Illinois 60174

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the August 6, 2010 at the hour of 10:00 a.m. or as soon as possible thereafter, before James L. Kopecky or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered prohibiting America's Best Financial Services and Richard Scholl, from offering, advising the sale of, and selling securities in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

BACKGROUND FACTS

1. Respondent, America's Best Financial Services, Inc. (hereinafter "ABFS" or collectively with (Richard Scholl "Respondents")) was an Illinois corporation. Its last known address is 1602 N. Manheim Road, Stone Park, 60165.

2. Respondent Richard Scholl (hereinafter "Scholl" or collectively with (ABFS "Respondents")) was the president of Respondent ABFS at all relevant times herein. His last known address is 203 McKinley Street, Saint Charles, Illinois 60174.
3. Complainants, Investor A, Investor B, Investor C, Investor D, Investor E and Investor F are residents of the State of Illinois.
4. Between April 2000 and August 2005, Respondents offered and sold to at least 6 Illinois investors promissory notes offering rates varying from that promised investors 24-120 per cent rates of return per annum ("Notes" or "Note") and raising approximately \$179,011.71. In some cases, the investors were induced to roll over their notes into a new note on or before the date of maturity of their old note.

COUNT I
SALE OF UNREGISTERED SECURITIES
815 ILCS 5/12.A and 12.D

5. Between April 2000 and July 2005, on behalf of Respondent ABFS, Respondent Scholl offered to Investor A six (6) notes, which promised to pay 24-72 percent rates of return, per annum. In exchange, Investor A invested approximately \$62,500.00 with Respondents.
6. Between April 2000 and July 2005, on behalf of Respondent ABFS, Respondent Scholl offered to Investor B six (6) notes, which promised to pay 24-72 percent rates of return, per annum. In exchange, Investor B invested approximately \$62,500.00 with Respondents.
7. Between January 2004 and September 2004, on behalf of Respondent ABFS, Respondent Scholl offered to Investor C three (3) notes, which promised to pay 120 percent rate of return, per annum. In exchange, Investor C invested approximately \$17,500.00 with Respondents.
8. On or about July 13, 2004, on behalf of Respondent ABFS, Respondent Scholl sold a \$15,000.00 48% Note to Investor D. In exchange, Investor D gave Respondent Scholl, a check in the amount of \$15,000.00.
9. On or about July 13, 2004, on behalf of Respondent ABFS, Respondent Scholl sold a \$15,000.00 48% Note to Investor E. In exchange, Investor E gave Respondent Scholl, a check in the amount of \$15,000.00.

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10. On or about August 23, 2005, on behalf of Respondent ABFS, Respondent Scholl sold a \$6,511.71 48% Note to Investor F. In exchange, Investor F gave Respondent Scholl, a check in the amount of \$6,511.71.
11. The activities set forth in paragraphs 1 through 11 above constitute the offer and sale of an investment contract, and therefore a security, as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*
12. Section 12.A of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (the "Act") states that it shall be a violation of the provisions of this Act for any person to "offer or sell any security except in accordance with the provisions of this Act."
13. 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.
14. Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "fail to file with the Secretary of State any application, report or document under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof."
15. Respondents failed to file an application for registration of the above-referenced securities with the Secretary of State and as a result, the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
16. By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

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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 within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be requested by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

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 Respondent.

Dated: This ~~18th~~ day of June 2010.

20th



JESSE WHITE
Secretary of State
State of Illinois

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