

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: QUARTERS ONLY, INC.,)
ITS OFFICERS, DIRECTORS,)
EMPLOYEES, AGENTS, AFFILIATES,) File No. 0300715
SUCCESSORS AND ASSIGNS)

SUMMARY ORDER TO CEASE AND DESIST

TO THE RESPONDENT: Quarters Only, Inc.
47 West 34th Street
Suite 524
NY, NY 10001

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

1. That the Respondent, Quarters Only, Inc., is a purported business entity with a last known address of 47 West 34th Street, Suite 524, NY, NY 10001;
2. That on or about June 13, 2003, Quarters Only, Inc., by and through its officers, directors, employees, agents, affiliates, successors and assigns, offered and/or sold to at least one (1) resident of the State of Illinois, an opportunity to purchase supplies, equipment or services purportedly sufficient to enable the Illinois resident to start a business through which the resident would purchase for \$9,825 and received vending machines as well as assistance in locating said machines, sufficient to start a business selling candy;
3. That Quarters Only, Inc., by and through its officers, directors, employees, agents, affiliates, successors and assigns, represented, directly or indirectly, to

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the Illinois resident that they would provide the Illinois resident with certain products, equipment and/or services enabling the Illinois resident to start a business following a required payment to Americana of more than \$500.00;

4. That Quarters Only, Inc., its officers, directors, employees, agents, affiliates, successors and assigns, represented to the Illinois resident, either directly or indirectly, that they would provide a marketing plan;
5. That Section 5-5.10(a) of the Illinois Business Opportunity Sales Law of 1995, [815 ILCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business where the purchaser is required to make a payment to the seller of more than \$500.00 and the seller represents either directly or indirectly, that the seller, or a person recommended by the seller, will provide a marketing plan, provide or assist the purchaser in finding outlets or accounts for the purchaser's products or services, and/or guarantees that the purchaser will derive income from the business which exceeds the price paid to the seller;
6. That the above-referenced promotion, solicitation or offer constitutes an offer of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
7. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer or sell any business opportunity in the State of Illinois unless that business opportunity is registered under the Act or is exempt from registration under Section 5-10 of the Act;
8. That at all times relevant, Quarters Only, Inc., its officers, directors, employees, agents, affiliates,

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successors and assigns, failed to obtain or file for registration of the above-referenced business opportunity prior to any offer or sale in the State of Illinois;

9. That by virtue of the foregoing, Quarters Only, Inc., its officers, directors, employees, agents, affiliates, successors and assigns, have violated Section 5-25 of the Act;
10. That, as of the date of this Summary Order, Quarters Only, Inc., its officers, directors, employees, agents, affiliates, successors and assigns, have not registered the above-referenced business opportunity in accordance with the provisions of the Act;
11. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged or is about to engage in any act or practice constituting a violation of the Act, the Secretary of State may issue an Order directing such person to cease and desist from engaging in any act or practice constituting a violation of any provision of the Act;
12. That based upon the foregoing, the Secretary of State hereby deems it necessary, in order to prevent Quarters Only, Inc., its officers, directors, employees, agents, affiliates, successors and assigns, from engaging in any act or practice in violation of the Act, to enter a Summary Order to Cease and Desist pursuant to the authority provided under Section 5-65 of the Act; and
13. That based upon the foregoing, the Secretary of State has determined that the issuance of a Summary Order to Cease and Desist 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 5-65 of the Act, Quarters Only, Inc., its officers, directors, employees, agents, affiliates, successors and assigns, are to **CEASE and DESIST** from offering and/or selling business opportunities in the

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State of Illinois or to residents of the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 520 South Second Street, Suite 200, Springfield, Illinois 62701. Such request must be made within thirty (30) days of the entry of this Summary Order to Cease and Desist. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Summary Order to Cease and Desist.

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

ENTERED: This ____ day of _____, 2003

JESSE WHITE
Secretary of State
State of Illinois

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