

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: CHEMPORT, LLC, ITS OFFICERS,) File No. 0400745
DIRECTORS, EMPLOYEES, AFFILIATES,)
SUCCESSORS, AGENTS AND ASSIGNS,)
)
)
)

NOTICE OF HEARING

TO THE RESPONDENT: Chemport, LLC
C/O E. Rebecca Case
Stone, Leyton & Gershman
7733 Forsyth Boulevard, Suite 500
St. Louis, MO 63105

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 19th day of October, 2005 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 Chemport, LLC. 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. Chemport, LLC is a limited liability company formed under the laws of Missouri with a last known business address of 55 Westport Plaza, Suite 575, St. Louis, MO 63146;
2. That Chemport, LLC was purportedly in the business of manufacturing and distributing motor fuel additives;

Notice of Hearing

-2-

3. That on or about May 15, 2002, Chemport, LLC offered and sold 1667 units of membership in Chemport LLC to RK an Illinois resident for \$15 per unit;
4. On or about February 5, 2004, RK received from Chemport, LLC 15,000 units in membership in the LLC for his two investment payments of \$100,000 each, paid on January 31, 2003 and February 5, 2004;
5. Also on February 5, 2004, RK received a promissory note from Chemport, LLC in the amount of \$175,000 with an 8% interest rate and due in 2 years;
6. On or about February 5, 2004, RT, an Illinois resident received, in return for RT's investment of \$50,000 to Chemport, LLC, a promissory note from Chemport, LLC in the amount of \$50,000 with an interest rate of 8% and due in two years;
7. On or about February 17, 2004 Chemport, LLC offered and sold to MR, an Illinois resident, 1334 units in membership in Chemport, LLC for an investment of \$20,000 by MR;
8. On or about May 1, 2003, Chemport, LLC offered and sold to PT, and Illinois resident 1000 units in membership in Chemport, LLC for an investment of \$20,000 by PT;
9. On or about February 23, 2004, Chemport, LLC offered and sold to PT 500 units in membership in Chemport, LLC for an investment of \$15,000 by PT;
10. On or about February 5, 2004, RS, an Illinois resident, received, in return for RS's investment of \$50,000 to Chemport, LLC, a promissory note from Chemport, LCC in the amount of \$50,000 with an interest rate of 8% and due in two years;
11. The Units in membership in a limited liability company and promissory notes issued or issuable by Chemport, LLC were not registered by Chemport, LLC with the Illinois Secretary of State prior to their offer and sale in Illinois;
12. The units of membership in Chemport, LLC and promissory notes offered and sold by Chemport, LLC are securities as that term is defined under Section 2.1 of the Act;

Notice of Hearing

-3-

13. 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;
14. 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;
15. 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 order of the Secretary of State issued pursuant to Section 11 of the Act;
16. That by virtue of the foregoing, Chemport, LLC, its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns has violated Sections 12.A and 12.D of the Act;
17. 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
18. 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.

Notice of Hearing

-4-

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.

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

Dated this 22nd day of August, 2005.

 *Jesse White*

Jesse White
Jesse White
Secretary of State
State of Illinois

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