

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: TREND MANAGEMENT GROUP, INC.,)
TREND CAPITAL, LLC,)
TREND GROUP, INC.,) File No. 0700002
THEIR OFFICERS, DIRECTORS,)
EMPLOYEES, AFFILIATES, SUCCESSORS,)
AGENTS AND ASSIGNS,)
AND RAYMOND DENTON)

CONSENT ORDER

TO THE RESPONDENTS: Trend Management Group, Inc.
Trend Capital, LLC
Trend Group, Inc.
9180 South Kyrene Road
Suite 112
Tempe, AZ 85284

WHEREAS, Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., through its Court Appointed Receiver in Arizona Corporation Commission v. Trend Management Group, Inc. et al. Maricopa County Superior Court, CV 2006-016822, (the "Respondents") on September 16, 2008, executed a certain Stipulation To Enter Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc. have admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondents have consented to the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondents have acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

1. That Respondents, Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., are purported business

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entities with a last known address of 9180 Kyrene Road, Suite 112, Tempe, Arizona 85284;

2. That on or about June 9, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC and Trend Group, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to EH, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$100,000; that in return for said investment, EH would receive an investment return of 8.15% annually for 60 months;
3. That on or about August 3, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to LD, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$25,000; that in return for said investment, LD would receive an investment return of 8.15% annually for 60 months;
4. That on or about June 17, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to EG, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$17,094; that in return for said investment, EG would receive an investment return of 8.15% per annum for 60 months;
5. That on or about September 14, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to JK, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$30,000; that in return for said investment, JK would receive an investment return of 8.15% annually for 60 months;
6. That on or about August 23, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., their Officers, Directors, Employees, Agents,

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Affiliates, Successors and Assigns, offered and sold to MC, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$30,000; that in return for said investment, MC would receive an investment return of 8.15% annually for 60 months;

7. That on or about August 12, 2004, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and sold to HC, an Illinois resident, a membership agreement and "Certificate of Participation" for a total amount of \$10,000; that in return for said investment, HC would receive an investment return of 8.15% annually for 60 months;
8. That the Respondents represented that the purchase of the aforementioned membership agreement and "Certificate of Participation" purportedly allowed the investor to participate in the profits of The Trend Group whose business included the purchase of credit card debt for pennies on the dollar and the subsequent collection on said credit card debt, the profits from which would fund and/or pay for the aforementioned investment returns;
9. That each of the aforementioned "Certificate of Participation" is an investment contract and therefore 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");
10. 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;
11. 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;
12. 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

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file with the Secretary of State any document or application required to be filed under the provision of the Act;

13. That at all times relevant hereto, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., 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;
14. 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;
15. 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;
16. 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;
17. That by virtue of the foregoing, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, 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.

WHEREAS, the Respondents have acknowledged that the allegations contained in paragraph nine (9) of the Stipulation

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shall be adopted as the Secretary of State's Conclusions of Law as follows:

1. That by virtue of the foregoing, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., have violated Sections 12.A and 12.D of the Act;
2. That by virtue of the foregoing, the Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc., are subject to an Order which permanently prohibits them from offering and/or selling securities in the State of Illinois.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The foresaid allegations contained in the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law;
2. The Respondents Trend Management Group, Inc., Trend Capital, LLC, and Trend Group, Inc. shall be permanently prohibited from offering and/or selling securities in the State of Illinois;

ENTERED: This 17th day of September, 2008.

Jesse White *JW*
JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12(D) of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

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Hearing Officer:
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