



Consent Order

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(Violations of Section 12.A and D)

1. Flatlander Industries, Inc. is an Illinois Corporation doing business as Business Builders with a last known address of 115 E. Monroe St. Bloomington, Illinois;
2. Richard L. Eikenberg is the President of Flatlanders Industries, Inc.;
3. 3R Products, Inc. is an Illinois Corporation with a last known business address of 206 W. Miller St. Bloomington, Illinois;
4. Trent M. Rousey is the President of 3R Products, Inc.;
5. Sometime between August and September 2005, Flatlander Industries, Inc. and 3R Products, Inc. sent or caused to be sent through the mail a letter offering an investment in 3R Products, Inc. to approximately 325 individuals with residences in Illinois;
6. On or about 9 October 2005, through a newspaper advertisement in the Bloomington Pantagraph Flatlander Industries, Inc. and 3R Products, Inc. offered for sale an investment in 3R Products, Inc. with a purported 17-18% return on investment;
7. Richard L. Eikenberg from the time period of September through October 2005 met with at least 6 Illinois resident individuals to offer and solicit an investment from these individuals in securities issued or issuable by 3R Products, Inc.;
8. As a result of the above-referenced activities, 2 Illinois individuals entered into two promissory notes issued by 3R Products, Inc. The first note was for \$10,000 with a one-year term and a 15% annual percent rate. The second was for \$30,000 with a three-year term and an 18% interest rate. Both notes were signed by Trent M. Rousey as President of 3R Products, Inc.;
9. Flatlander Industries, Inc. received from 3R Products, Inc. \$6,635 for its services in raising capital for 3R

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Products, Inc. and on account of the sales of securities cited in paragraph 8;

10. The above-referenced Promissory Notes are securities as that term is defined pursuant to Section 2.1. of the Act;
11. Section 5 of the Act provides: All securities except those set forth under Section 2a of the Act, or those exempt under Section 3 of the Act, or those offered or sold in transactions exempt under Section 4 of the Act, or face amount certificate contracts required to be registered under Section 6 of the Act, or investment fund shares required to be registered under Section 7 of the Act, shall be registered either by coordination or by qualification, as provided in the Act, prior to their offer or sale in this State;
12. That Section 8 of the Act provides, inter alia: Except as otherwise provided in subsection A, every dealer and salesperson shall be registered as such with the Secretary of State;
13. The above referenced securities were not registered with the Secretary of State prior to their offer and sale in the State of Illinois;
14. During the relevant time period, Flatlander Industries, Inc. and Richard L. Eikenberg were not registered as either a dealer or salesperson in the State of Illinois;
15. 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;
16. Section 12.D of the Act provided, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act;

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17. That by virtue of the foregoing, the Respondents have violated Sections 12.A and D of the Act;
18. Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State finds that any person has violated Section D of Section 12 of the Act, the Secretary of State may by written order temporarily or permanently prohibit or suspend the person from offering or selling any securities;
19. 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; and
20. That by virtue of the foregoing, the Respondents are subject to a fine of up to \$10,000.00 per violation and an Order of Prohibition.

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 Conclusion of Law as follows:

1. That by virtue of the foregoing, 3R Products, Inc. and Trent M. Rousey have violated Sections 12.A and D of the Act; and
2. That by virtue of the foregoing, 3R Products, Inc. and Trent M. Rousey are subject to a fine of up to \$10,000 per violation and an Order of Prohibition.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The allegations contained in paragraphs seven (7) and eight (8) of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusion of Law;
2. The Respondents shall pay costs of investigation of \$2,500 to the Securities Audit and Enforcement Fund by

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check made payable to the Secretary of State within fifteen (15) days from the entry of the Consent Order;

3. The Respondents shall make an offer of Rescission to the following persons designated in Exhibit A to this Consent Order in the following manner:
  - a. Within ten days of the entry of the Consent Order the Respondents shall submit a proposed offer of rescission in the format as outlined in Exhibit B of the Consent Order to the Illinois Securities Department.
  - b. If the proposed offer of rescission is found to be not objectionable by the Department then the Respondents shall send the offer by certified mail within fifteen days of receiving notice from the Department to all persons identified in Exhibit A. If the proposed offer is found to be objectionable the Department will so indicate to the Respondents and will detail what changes or additions need to be made to the proposed offer. The Respondents will have ten business days from the date they are given notice from the Department to submit a new/revised proposed offer to the Department for consideration.
  - c. The Respondents shall tender payment by check to each investor who chooses to accept rescission within five business days of receiving a complete and valid acceptance of a rescission offer.
  - d. Within sixty days of the date that the offer of rescission is sent the Respondents shall submit to the Department an affidavit certifying as true copies documents submitted and setting forth the following: That the offer of rescission was sent out by certified mail to all persons identified in Exhibit A of the Consent Order, that all persons who accepted rescission were paid by the Respondents and that all of the terms of the rescission offer were completed by the Respondents. The affidavit shall also have attached to it copies of all responses received by the Respondents in reply to the offer of rescission, and copies of any checks sent out; and

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4. The formal hearing scheduled on this matter is hereby dismissed without further proceeding.

ENTERED: This 9<sup>th</sup> day of November, 2006.



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.

Attorney for the Secretary of State:  
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