

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Joe Aguda and)
Aguda Financial Services, Inc.)
Respondents)

CONSENT ORDER

.....
The North Dakota Securities Commissioner have advised the respondents, Joe Aguda and Aguda Financial Services, Inc., that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and have determined as follows:

1. Respondent, Joe Aguda, is an individual who owns and operates Aguda Financial Services, Inc., also a respondent. Mr. Aguda and Aguda Financial Services, Inc. act as a securities salesman associated with New England International Surety, a firm headquartered in Brussels, Belgium. New England International Surety is not now and has never been registered as a Broker Dealer in North Dakota, nor has it ever filed to register or exempt from registration any security in North Dakota. Neither of the respondents are or have ever been registered as securities agents in North Dakota.
2. During October of 1999, respondents solicited one individual, an employee of the Commissioner, who for all relevant times has been a resident of North Dakota, to purchase promissory notes issued by New England International Surety. The solicitation did not result in a sale. The subject notes are securities under North Dakota law, and were not registered or exempt from registration under North Dakota law.
3. Pursuant to section 10-04-04 N.D.C.C., no person may lawfully offer for sale sell securities in North Dakota or to a resident of North Dakota unless the security is registered or exempt from registration under North Dakota law.
4. Pursuant to section 10-04-10 N.D.C.C., no dealer may offer for sale or sell any securities within or from this state unless registered as a Broker/Dealer, and no agent may offer for sale or sell any securities within or from this state, unless registered as an agent in North Dakota, unless the securities are sold through exempt transactions under section 10-04-06 N.D.C.C.
5. Pursuant to section 10-04-16 N.D.C.C., when it shall appear to the Commissioner that any person have engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may, in his discretion, issue any order and collect civil penalties

against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation.

6. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondents pursuant to section 10-04-16 N.D.C.C.

7. Based on the violations as briefly described above, on February 16, 2000, the Commissioner issued a Cease and Desist Order against several parties, including Mr. Aguda and Aguda Financial Services, Inc. Also based on those violations, on April 26, 2000, the Commissioner issued an order for Civil Penalty wherein the Commissioner ordered the Respondents to pay civil penalties in the amount of \$10,000. Respondents states that he have complied with the prohibitions set forth in the Cease and Desist Order, but have not made payment of any Civil Penalties issued in the Order of April 26, 2000.

8. Respondents assert a right to a hearing on this matter, but they affirmatively waive any right to a hearing and to present arguments to the Commissioner regarding this matter.

9. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order, and this is evidenced by the Mr. Aguda's signature on the Consent to Entry of Order, attached hereto and incorporated herein by reference.

10. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents shall not transact any securities business with any person in North Dakota unless respondents are registered as an agent, and conducting business through a registered broker/dealer, or properly exempted under Chapter 10-04 N.D.C.C.

2. Respondents shall pay a civil penalty of \$2,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16.

3. The Order for Civil Penalty, as issued against Mr. Aguda and Aguda Financial Services, Inc. on April 26, 2000, is vacated by the Commissioner.

4. The resolution of this matter is between the Commissioner and the Respondents, and this Consent Order does not resolve the facts and circumstances set forth above with regard to any other person, whether or not named as a respondents in any previous Order issued by the Commissioner.

5. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 31st day of July, 2000.



Syver Vinje

Syver Vinje, Securities Commissioner
Office of the Securities Commissioner
State Capitol-5th Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
(701) 328-2910

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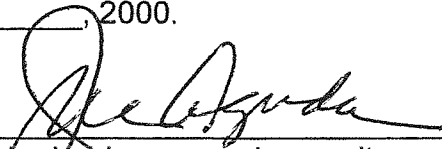
In the Matter of Mr. Aguda and)
Aguda Financial Services, Inc.,)
Respondents)

**CONSENT TO ENTRY
OF ORDER**

.....
Joe Aguda, the undersigned, in his personal capacity and on behalf of Aguda Financial Services, Inc., states that he has read the foregoing Consent Order and that he knows and fully understands its contents and effects. He further states that he is executing this Consent to Entry of Order in his personal capacity. He acknowledges that respondents he have waived his rights to a hearing with respect to this matter, and that he consents to entry of the Consent Order by the Securities Commissioner.

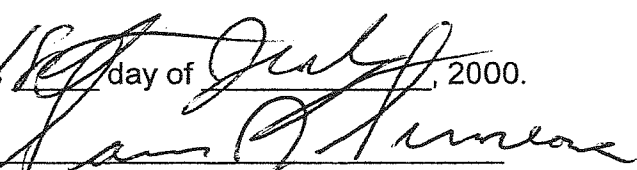
It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

Dated this 18th day of July, 2000.



Joe Aguda, in his personal capacity and
for Aguda Financial Services, Inc.
5200 Elysian Fields
New Orleans, LA 70122

Subscribed and Sworn before me this 18th day of July, 2000.



Notary Public
State: _____ County: _____
My Commission Expires: 12/31/2003

(Notary Seal)