

STATE OF NORTH DAKOTA  
SECURITIES COMMISSIONER

In the Matter of ACAP Financial, Inc. )  
and Donald Fisher; )  
Respondents. )

CONSENT AGREEMENT

The North Dakota Securities Commissioner has advised the Respondents, ACAP Financial, Inc. and Donald Fisher, that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, ACAP Financial, Inc. (hereinafter, "ACAP"), is a broker-dealer headquartered in Salt Lake City, Utah. ACAP is, and for all times relevant to this matter, has been registered as a broker-dealer with the Securities Department.
2. Respondent, Donald Fisher, is a securities agent employed by and associated with ACAP. Fisher is, and for all times relevant to this matter, has been registered as a securities agent with the Securities Department.
3. During December of 2005, Respondents sold stock in Ready Cash, Inc., a Utah Corporation, to six residents of North Dakota for a total of \$4,000. Such activity took place in North Dakota.
4. The Ready Cash stock was apparently intended to be offered pursuant to Rule 506 of Regulation D, and to be restricted to accredited investors. Through the sales referenced above, Respondents sold Ready Cash stock to investors who were not accredited. The investors also had not provided written information to demonstrate that they had sufficient experience in business and financial matters to evaluate the risks and merits of the investment.
5. Ready Cash did not timely file its form D, as required by N.D.C.C. § 10-04-08.4(2). Furthermore, the sales made in North Dakota were beyond the scope of the sales permitted by Rule 506, and therefore N.D.C.C. § 10-04-08.4(2) is inapplicable to the sales.
6. The Ready Cash stock has not been registered with the Securities Department under N.D.C.C. §§ 10-04-07, 10-04-07.1, 10-04-08 or 10-04-08.1; is not exempt securities under N.D.C.C. § 10-04-05; has not been offered for sale or sold in exempt transactions under N.D.C.C. § 10-04-06; and is not a federal covered security under N.D.C. § 10-04-08.4. The six sales of Ready Cash stock were made in violation of N.D.C.C. § 10-04-04.
7. Respondent, Fisher, induced the investors to sign subscription agreements wherein they each claimed to be accredited investors. At the time that these investors signed these subscription agreements, Respondent knew that these investors were not accredited investors, based on new account information collected by the Respondents. Respondents submitted those subscription agreements to Ready Cash knowing that they contained false information. These activities constitute fraudulent conduct in violation of N.D.C.C. § 10-04-1 5.
8. ACAP did not properly supervise its agent, Donald Fisher, with regard to the activity described above.

9. Pursuant to N.D.C.C. § 10-04-16, when it shall appear to the Commissioner that any person has 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 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. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against the Respondents pursuant to N.D.C.C. § 10-04-16(1).

10. Respondents have made rescission to the North Dakota resident investors, pursuant to N.D.C.C. § 10-04-17.

11. Respondents acknowledge their rights to a hearing on this matter and waive these rights to a hearing and to present arguments to the Commissioner.

12. This Consent Agreement constitutes the entire settlement agreement between the Respondents and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.

13. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Agreement.

**NOW, THEREFORE, IT IS AGREED, THAT:**

1. Respondents shall not offer for sale and/or sell any security in North Dakota unless that security is registered or exempt from registration under Chapter 10-04 N.D.C.C.

2. Respondents shall not transact any securities business with any person in North Dakota unless they are registered as dealers and/or agents or properly exempted under Chapter 10-04 N.D.C.C.

3. Respondents shall not engage in any fraudulent conduct in North Dakota in violation of N.D.C.C. § 10-04-1-15.

4. Respondent, ACAP, shall, within 10 days of the entry of this agreement, withdraw its broker-dealer registration in North Dakota, and shall not reapply to be registered as a broker-dealer in North Dakota for a period of two years from the date of this agreement.

5. Respondents shall pay a civil penalty of \$2,000, made payable to the North Dakota Securities Department, pursuant to N.D.C.C. § 10-04-16(1).

6. This Agreement shall be effective upon signature of the Commissioner.

Signed and Sealed this 10<sup>th</sup> day of October, 2006.

*[Handwritten Signature]*

Karen J. Tyler, Securities Commissioner  
North Dakota Securities Department  
State Capitol-5th Floor  
600 East Boulevard Ave.  
Bismarck, ND 58505-0510  
(701) 328-2910

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Dated this 5<sup>th</sup> day of October, 2006.

PEJ

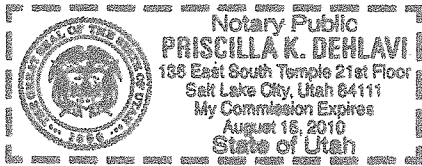
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ACAP Financial Corp.  
47 West 200 South, Suite 101  
Salt Lake City, UT 84101

By: *[Handwritten Signature]*

Its: Fres Kirk Ferguson

Subscribed and Sworn before me this 5<sup>th</sup> day of October, 2006.



*[Handwritten Signature]*  
Notary Public

State: Utah County: Salt Lake

My Commission Expires: August 15, 2010

Dated this 23 day of September, 2006.

*[Handwritten Signature]*

Donald Fisher  
ACAP Financial Corp.  
800 East Northwest Highway, Suite  
1090 Palatine, IL 60067

Subscribed and Sworn before me this 23 day of Sept, 2006.

*[Handwritten Signature]*  
Notary Public

State: Illinois County: McHenry  
My Commission Expires: 5/28/08

