

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Agkota Holdings,)
 Inc., International Joint Ventures)
 Association, Preferred Home Loans,)
 Founders Club, Inc., Verlin)
 Swartzendruber, Terry Nitschke,)
 Duane Moos, Norman Nitschke,)
 William Ebele, and their Officers,)
 Directors, Agents and Employees)
)
 Respondents)

CONSENT ORDER

RECEIVED

JUN 21 1999

SECURITIES COMMISSIONER
STATE OF NORTH DAKOTA

.....

The North Dakota Securities Commissioner has advised the Respondent, Duane Moos, that he is prepared to commence formal action pursuant to NDCC Chapter 10-04 and has determined as follows:

1. On April 9, 1998, the North Dakota Securities Commissioner issued a Cease and Desist Order and Notice of Right to Request a Hearing against the above-captioned respondents, including Duane Moos, based on apparent violations of the Securities Act.
2. Respondents, Agkota Holdings, Inc.; and International Joint Venture Association; are businesses which were operated by Respondent, Verlin Swartzendruber and other above-named respondents, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402. Respondents, Preferred Home Loans, Inc.; and Founder's Club, Inc.; are businesses which were operated by Respondent, Verlin Swartzendruber, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402.

3. Neither Agkota Holdings, Inc.; International Joint Venture Association; Preferred Home Loans, Inc.; nor the Founders Club, Inc.; are or ever were registered with the North Dakota Securities Commissioner as a broker/dealer in North Dakota.

4. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele are natural persons. Neither Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke nor William Ebele are now or have ever been registered with the North Dakota Securities Commissioner as salesmen in North Dakota.

5. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele operated and managed an investment program through the International Joint Venture Association (the "investment program"). Investors, who included North Dakota residents, provided money to the International Joint Venture Association in the form of membership fees, exchanged property (cash) and blocked assets (other property).

6. The respondents' plan for the investment program was to pool the investment moneys, leverage those moneys and to engage in a High Yield Trading Program, which would involve the active purchases and sales of Bank Debentures.

7. According to documents retained by the respondents and shown to investors, the investors' money is guaranteed from loss by a Bank Endorsed Guarantee, which is issued to secure the principal for the contract period.

Respondents told investors and potential investors that the investor funds are never put at risk.

8. According to the respondents' plan, any profits or returns on the investment, if realized, would be based in substantial part on the efforts and expertise of the respondents and not on the individual efforts or expertise of the investors.

9. The investment program was not registered with the North Dakota Securities Commissioner as a security in North Dakota. The investment program is not an exempt security under §10-04-05 N.D.C.C., nor was it offered through an exempt securities transaction under §10-04-06 N.D.C.C.

10. The respondents have been unable to provide and the Commissioner, after an investigation of this matter, has been unable to find any credible evidence that the bank debenture trading program, as discussed above, actually exists. The investment program, as a whole, constitutes a "scheme or artifice to defraud" investors and potential investors. The investigation of the Commissioner demonstrates that respondent, Duane Moos, did not have knowledge of the fraudulent nature of the investment program, nor did he have any intent to defraud investors. Instead, Duane Moos believed that this was a legitimate trading program and, not having made any independent inquiries, was relying upon the statements of respondent, Verlin Swartzendruber, in reaching that conclusion.

11. Through the respondents' investment program, respondents collected \$300,000 in cash and over \$2,300,000 in blocked assets. The investment funds

were collected of residents of several states, including North Dakota. In excess of \$800,000 in cash and blocked assets was collected from North Dakota residents.

12. Respondent, Verlin Swartzendruber, acted as the manager of Agkota Holdings, Inc. and the International Joint Venture Association and participated in the offer and/or sale of investment interests in International Joint Ventures Association to virtually all of the investors.

13. Respondent, Duane Moos, participated in the offer and/or sale of investment interests in International Joint Ventures Association to several persons including the following:

- a. Richard Sweet
- b. Shirley Prigge

14. The facts set forth above demonstrate that Respondent, Duane Moos, engaged in multiple violations of the Securities Act.

15. The information set forth above is sufficient grounds for the Commissioner to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act, pursuant to §10-04-16(1) N.D.C.C.

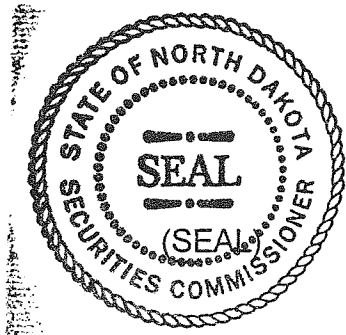
16. The following Order is necessary and appropriate in the public interest.

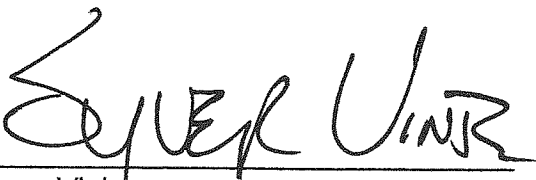
NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent, Duane Moos, shall not transact any securities business with any person in North Dakota unless the securities are offered through an organization which is registered as a dealer or properly exempted under NDCC Chapter 10-04.

2. Respondent, Duane Moos, shall not act as a securities salesman for any securities business with any person in North Dakota unless he is registered as a salesman or properly exempted under NDCC Chapter 10-04.
3. Respondent, Duane Moos, shall pay a civil penalty of \$1,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16. Such civil penalty shall be paid in the amount of \$500 on January 1, 2000 and the remaining \$500 on July 1, 2000. Failure of Duane Moos to make the payments according to this schedule is a violation of this order.
4. Respondent, Duane Moos, shall pay \$500 to the Office of the Securities Commissioner to reimburse the Commissioner for investigative costs in the amount pursuant to §10-04-16.1 N.D.C.C and §28-32-08 N.D.C.C.
5. Respondent, Duane Moos, will make himself available to testify at any proceeding convened against any other person involved in this matter, regardless of form of proceeding or the jurisdiction of the prosecuting authority.
6. Respondent, Duane Moos, is hereby released from the Cease and Desist Order issued by the Commissioner on April 9, 1998.
7. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 28th day of June, 1999.





Syver Vinje
North Dakota Securities Commissioner
State Capitol-5th Floor

600 East Boulevard Ave.
Bismarck, ND 58505-0510
(701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Agkota Holdings,)
 Inc., International Joint Ventures)
 Association, Preferred Home Loans,)
 Founders Club, Inc., Verlin)
 Swartzendruber, Terry Nitschke,)
 Duane Moos, Norman Nitschke,)
 William Ebele, and their Officers,)
 Directors, Agents and Employees)
)
 Respondents)

**CONSENT TO ENTRY
OF ORDER**

.....

The undersigned, Duane Moos, states that he has read the foregoing Consent Order and that he knows and fully understands its contents and effects. He further acknowledges that he has waived his rights to a hearing with respect to this matter consents, upon the advise of his attorney, to entry of the Consent Order by the Securities Commissioner without admitting or denying the findings of fact and conclusions of law contained herein. 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 16th day of June, 1999.

Duane Moos
1701 Elmwood Pl.
Jamestown, ND 58401

Subscribed and Sworn before me this 16th day of June, 1999

Notary Public
State: N. Dak. County: Stutsman
My Commission Expires: 1-28-2004

(Notary Seal)

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Agkota Holdings,)
 Inc., International Joint Ventures)
 Association, Preferred Home Loans,)
 Founders Club, Inc., Verlin)
 Swartzendruber, Terry Nitschke, 2848449)
 Duane Moos, Norman Nitschke,)
 William Ebele, and their Officers,)
 Directors, Agents and Employees)
 Respondents)

RECEIVED

CONSENT ORDER

JUN 21 1999

SECURITIES COMMISSIONER
STATE OF NORTH DAKOTA

.....

The North Dakota Securities Commissioner has advised the Respondent, William Ebele, that he is prepared to commence formal action pursuant to NDCC Chapter 10-04 and has determined as follows:

1. On April 9, 1998, the North Dakota Securities Commissioner issued a Cease and Desist Order and Notice of Right to Request a Hearing against the above-captioned respondents, including William Ebele, based on apparent violations of the Securities Act.
2. Respondents, Agkota Holdings, Inc.; and International Joint Venture Association; are businesses which were operated by Respondent, Verlin Swartzendruber and other above-named respondents, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402. Respondents, Preferred Home Loans, Inc.; and Founder's Club, Inc.; are businesses which were operated by Respondent, Verlin Swartzendruber, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402.

3. Neither Agkota Holdings, Inc.; International Joint Venture Association; Preferred Home Loans, Inc.; nor the Founders Club, Inc.; are or ever were registered with the North Dakota Securities Commissioner as a broker/dealer in North Dakota.

4. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele are natural persons. Neither Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke nor William Ebele are now or have ever been registered with the North Dakota Securities Commissioner as salesmen in North Dakota.

5. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele operated and managed an investment program through the International Joint Venture Association (the "investment program"). Investors, who included North Dakota residents, provided money to the International Joint Venture Association in the form of membership fees, exchanged property (cash) and blocked assets (other property).

6. The respondents' plan for the investment program was to pool the investment moneys, leverage those moneys and to engage in a High Yield Trading Program, which would involve the active purchases and sales of Bank Debentures.

7. According to documents retained by the respondents and shown to investors, the investors' money is guaranteed from loss by a Bank Endorsed Guarantee, which is issued to secure the principal for the contract period.

Respondents told investors and potential investors that the investor funds are never put at risk.

8. According to the respondents' plan, any profits or returns on the investment, if realized, would be based in substantial part on the efforts and expertise of the respondents and not on the individual efforts or expertise of the investors.

9. The investment program was not registered with the North Dakota Securities Commissioner as a security in North Dakota. The investment program is not an exempt security under §10-04-05 N.D.C.C., nor was it offered through an exempt securities transaction under §10-04-06 N.D.C.C.

10. The respondents have been unable to provide and the Commissioner, after an investigation of this matter, has been unable to find any credible evidence that the bank debenture trading program, as discussed above, actually exists. The investment program, as a whole, constitutes a "scheme or artifice to defraud" investors and potential investors. The investigation of the Commissioner demonstrates that respondent, William Ebele, did not have knowledge of the fraudulent nature of the investment program, nor did he have any intent to defraud investors. Instead, William Ebele believed that this was a legitimate trading program and, not having made any independent inquiries, was relying upon the statements of respondent, Verlin Swartzendruber, in reaching that conclusion.

11. Through the respondents' investment program, respondents collected \$300,000 in cash and over \$2,300,000 in blocked assets. The investment funds

were collected of residents of several states, including North Dakota. In excess of \$800,000 in cash and blocked assets was collected from North Dakota residents.

12. Respondent, Verlin Swartzendruber, acted as the manager of Agkota Holdings, Inc. and the International Joint Venture Association and participated in the offer and/or sale of investment interests in International Joint Ventures Association to virtually all of the investors.

13. Respondent, William Ebele, participated in the offer and/or sale of investment interests in International Joint Ventures Association to several persons including the following:

- a. Terry Thompson
- b. Raymond Elbingsen
- c. Harold Olson
- d. Glen Horst
- e. Al Mayer
- f. Larry Slowbaum
- g. Dwain Thomas
- h. Gerald Busche

14. The facts set forth above demonstrate that Respondent, William Ebele, engaged in multiple violations of the Securities Act.

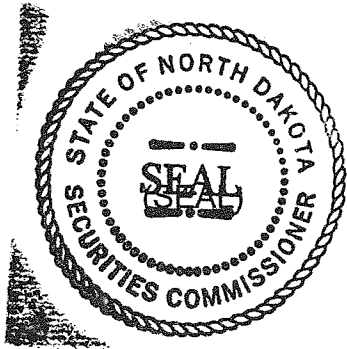
15. The information set forth above is sufficient grounds for the Commissioner to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act, pursuant to §10-04-16(1) N.D.C.C.

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

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent, William Ebele, shall not transact any securities business with any person in North Dakota unless the securities are offered through an organization which is registered as a dealer or properly exempted under NDCC Chapter 10-04.
2. Respondent, William Ebele, shall not act as a securities salesman for any securities business with any person in North Dakota unless he is registered as a salesman or properly exempted under NDCC Chapter 10-04.
3. Respondent, William Ebele, shall pay a civil penalty of \$1,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16. Such civil penalty shall be paid in the amount of \$500 on January 1, 2000 and the remaining \$500 on July 1, 2000. Failure of William Ebele to make the payments according to this schedule is a violation of this order.
4. Respondent, William Ebele, shall pay \$500 to the Office of the Securities Commissioner to reimburse the Commissioner for investigative costs in the amount pursuant to §10-04-16.1 N.D.C.C and §28-32-08 N.D.C.C.
5. Respondent, William Ebele, will make himself available to testify at any proceeding convened against any other person involved in this matter, regardless of form of proceeding or the jurisdiction of the prosecuting authority.
6. Respondent, William Ebele, is hereby released from the Cease and Desist Order issued by the Commissioner on April 9, 1998.
7. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 28th day of June, 1999.



SYVER VINJE

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

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

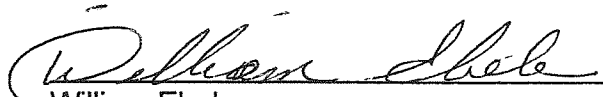
In the Matter of Agkota Holdings,)
 Inc., International Joint Ventures)
 Association, Preferred Home Loans,)
 Founders Club, Inc., Verlin)
 Swartzendruber, Terry Nitschke,)
 Duane Moos, Norman Nitschke,)
 William Ebele, and their Officers,)
 Directors, Agents and Employees)
)
 Respondents)

CONSENT TO ENTRY
OF ORDER

.....

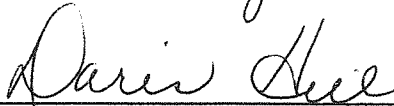
The undersigned, William Ebele, states that he has read the foregoing Consent Order and that he knows and fully understands its contents and effects. He further acknowledges that he has waived his rights to a hearing with respect to this matter consents, upon the advise of his attorney, to entry of the Consent Order by the Securities Commissioner without admitting or denying the findings of fact and conclusions of law contained herein. 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 16th day of June, 1999.



William Ebele
5060 76th Ave. SE
Montpelier, ND 58472

Subscribed and Sworn before me this 16th day of June, 1999



Notary Public

State: ND

County: Stutsman

My Commission Expires: 1-28-2004

(Notary Seal)

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of Agkota Holdings,)
Inc., International Joint Ventures)
Association, Preferred Home Loans,)
Founders Club, Inc., Verlin)
Swartzendruber, Terry Nitschke,)
Duane Moos, Norman Nitschke,)
William Ebele, and their Officers,)
Directors, Agents and Employees)
Respondents)

RECEIVED

JUN 21 1999

CONSENT ORDER

SECURITIES COMMISSIONER
STATE OF NORTH DAKOTA

.....
The North Dakota Securities Commissioner has advised the Respondent, Norman Nitschke, that he is prepared to commence formal action pursuant to NDCC Chapter 10-04 and has determined as follows:

1. On April 9, 1998, the North Dakota Securities Commissioner issued a Cease and Desist Order and Notice of Right to Request a Hearing against the above-captioned respondents, including Norman Nitschke, based on apparent violations of the Securities Act.
2. Respondents, Agkota Holdings, Inc.; and International Joint Venture Association; are businesses which were operated by Respondent, Verlin Swartzendruber and other above-named respondents, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402. Respondents, Preferred Home Loans, Inc.; and Founder's Club, Inc.; are businesses which were operated by Respondent, Verlin Swartzendruber, were located at the offices at 1923 6th Ave. SE, Suite 108 in Aberdeen, SD 57402.

3. Neither Agkota Holdings, Inc.; International Joint Venture Association; Preferred Home Loans, Inc.; nor the Founders Club, Inc.; are or ever were registered with the North Dakota Securities Commissioner as a broker/dealer in North Dakota.

4. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele are natural persons. Neither Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke nor William Ebele are now or have ever been registered with the North Dakota Securities Commissioner as salesmen in North Dakota.

5. Respondents, Verlin Swartzendruber, Terry Nitschke, Duane Moos, Norm Nitschke, and William Ebele operated and managed an investment program through the International Joint Venture Association (the "investment program"). Investors, who included North Dakota residents, provided money to the International Joint Venture Association in the form of membership fees, exchanged property (cash) and blocked assets (other property).

6. The respondents' plan for the investment program was to pool the investment moneys, leverage those moneys and to engage in a High Yield Trading Program, which would involve the active purchases and sales of Bank Debentures.

7. According to documents retained by the respondents and shown to investors, the investors' money is guaranteed from loss by a Bank Endorsed Guarantee, which is issued to secure the principal for the contract period.

Respondents told investors and potential investors that the investor funds are never put at risk.

8. According to the respondents' plan, any profits or returns on the investment, if realized, would be based in substantial part on the efforts and expertise of the respondents and not on the individual efforts or expertise of the investors.

9. The investment program was not registered with the North Dakota Securities Commissioner as a security in North Dakota. The investment program is not an exempt security under §10-04-05 N.D.C.C., nor was it offered through an exempt securities transaction under §10-04-06 N.D.C.C.

10. The respondents have been unable to provide and the Commissioner, after an investigation of this matter, has been unable to find any credible evidence that the bank debenture trading program, as discussed above, actually exists. The investment program, as a whole, constitutes a "scheme or artifice to defraud" investors and potential investors. The investigation of the Commissioner demonstrates that respondent, Norman Nitschke, did not have knowledge of the fraudulent nature of the investment program, nor did he have any intent to defraud investors. Instead, Norman Nitschke believed that this was a legitimate trading program and, not having made any independent inquiries, was relying upon the statements of respondent, Verlin Swartzendruber, in reaching that conclusion.

11. Through the respondents' investment program, respondents collected \$300,000 in cash and over \$2,300,000 in blocked assets. The investment funds

were collected of residents of several states, including North Dakota. In excess of \$800,000 in cash and blocked assets was collected from North Dakota residents.

12. Respondent, Verlin Swartzendruber, acted as the manager of Agkota Holdings, Inc. and the International Joint Venture Association and participated in the offer and/or sale of investment interests in International Joint Ventures Association to virtually all of the investors.

13. Respondent, Norman Nitschke, participated in the offer and/or sale of investment interests in International Joint Ventures Association to several persons including the following:

- a. Lindsay Smith
- b. Gene Allen
- c. Jeffrey Nitschke
- d. Rodney Berg
- e. Lyle Hollingsworth
- f. Craig Dallman

14. The facts set forth above demonstrate that Respondent, Norman Nitschke, engaged in multiple violations of the Securities Act.

15. The information set forth above is sufficient grounds for the Commissioner to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act, pursuant to §10-04-16(1) N.D.C.C.

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

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent, Norman Nitschke, shall not transact any securities business with any person in North Dakota unless the securities are offered through

an organization which is registered as a dealer or properly exempted under NDCC Chapter 10-04.

2. Respondent, Norman Nitschke, shall not act as a securities salesman for any securities business with any person in North Dakota unless he is registered as a salesman or properly exempted under NDCC Chapter 10-04.
3. Respondent, Norman Nitschke, shall pay a civil penalty of \$1,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16. Such civil penalty shall be paid in the amount of \$500 on January 1, 2000 and the remaining \$500 on July 1, 2000. Failure of Norman Nitschke to make the payments according to this schedule is a violation of this order.
4. Respondent, Norman Nitschke, shall pay \$500 to the Office of the Securities Commissioner to reimburse the Commissioner for investigative costs in the amount pursuant to §10-04-16.1 N.D.C.C and §28-32-08 N.D.C.C.
5. Respondent, Norman Nitschke, will make himself available to testify at any proceeding convened against any other person involved in this matter, regardless of form of proceeding or the jurisdiction of the prosecuting authority.
6. Respondent, Norman Nitschke, is hereby released from the Cease and Desist Order issued by the Commissioner on April 9, 1998.
7. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 28th day of June, 1999.



SYVER VINJE

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

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Agkota Holdings,)
 Inc., International Joint Ventures)
 Association, Preferred Home Loans,)
 Founders Club, Inc., Verlin)
 Swartzendruber, Terry Nitschke,)
 Duane Moos, Norman Nitschke,)
 William Ebele, and their Officers,)
 Directors, Agents and Employees)
)
 Respondents)

CONSENT TO ENTRY
OF ORDER

.....

The undersigned, Norman Nitschke, states that he has read the foregoing Consent Order and that he knows and fully understands its contents and effects. He further acknowledges that he has waived his rights to a hearing with respect to this matter consents, upon the advise of his attorney, to entry of the Consent Order by the Securities Commissioner without admitting or denying the findings of fact and conclusions of law contained herein. 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 16th day of June, 1999.

Norman Nitschke

Norman Nitschke
6152 72nd Ave. SE
Jud, ND 58454

Subscribed and Sworn before me this 16th day of June, 1999

Paris Hill

Notary Public

State: ND

County: Stutsman

My Commission Expires: 1 - 28 - 2004

(Notary Seal)