

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of CGF Securities, LLC;)
and Ross Owen Haugen,)
Respondent)

CONSENT ORDER

.....
The North Dakota Securities Commissioner has advised the respondent, CGF Securities, LLC, 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, CGF, is a securities dealer headquartered in Boca Raton, Florida. For all times relevant to this matter, CGF has been registered as a dealer in the state of North Dakota.
2. Respondent, CGF, is not now, and has never been registered as an investment advisor in North Dakota, though through December of 2002, CGF was properly filed in North Dakota as a federal covered advisor.
3. Respondent, Haugen, is a North Dakota resident who has been a securities agent for various firms for more than ten years. Haugen is currently an agent of CGF whose registration has been approved based on a registration agreement between Haugen the Commissioner. Haugen has been registered in other states with other firms as an investment advisor representative, but Haugen has never been registered with CGF as an investment advisor representative.
4. From January of 2003 to the present, Respondents engaged in investment advisory activity by maintaining the accounts of several North Dakota residents, through its office in Grand Forks, North Dakota, as asset under management, fee-based accounts. Approximately \$20,000 in advisory fees was collected based on those accounts.
5. CGF Securities, LLC was not registered as an investment advisor at the time of the activity described in paragraph 4, above. Haugen was not registered as an investment advisor representative at the time of the activity described in paragraph 4, above.
6. Pursuant to section 10-04-10 (3-4) N.D.C.C., no person may act as an investment advisor in this state unless the person is properly registered, or is a federal covered advisor and has provided the Commissioner with a proper notice filing.

7. Pursuant to section 10-04-10 (5) N.D.C.C., no person may act as an investment advisor representative in this state unless the person is properly registered.

8. Pursuant to section 10-04-16 N.D.C.C., 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.

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

10. Respondents acknowledge their right to a hearing on this matter and waive this right to a hearing and to present arguments to the Commissioner.

11. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order.

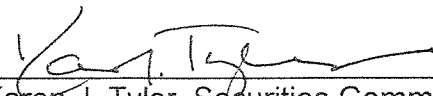
12. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents, CGF and Haugen, shall not transact any investment advisory business with any person in North Dakota unless they are properly registered under the securities act.
2. Respondents, CGF and Haugen, shall pay a civil penalty of \$5,000.
3. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 16th day of December, 2003.




Karen J. Tyler, 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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Respondents)

**CONSENT TO ENTRY
OF ORDER**

.....
Each of the undersigned, on behalf of the Respondents, state that he has read the foregoing Consent Order and that he knows and fully understand its contents and effects. Each further states that he is executing this Consent to Entry of Order on behalf of the Respondents, and that all parties have waived their rights to a hearing with respect to this matter, and that they consent 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 _____ day of _____, 2003.

CGF Securities, LLC
225 NE Mizner Blvd., Suite 750
Boca Raton, FL 33432

Michael S. Jacobs
By: Michael S. Jacobs
Its: President

Subscribed and Sworn before me this 11 day of DEC., 2003.

[Signature]

Notary Public

(Notary Seal)

State: _____ County: _____
My Commission Expires: _____



Andrew Charles Garbarini
Commission # DD 038448
Expires July 2, 2005
Bonded Thru
Atlantic Bonding Co., Inc.

Dated this 15 day of Dec., 2003.

Ross Owen Haugen

Ross Owen Haugen
3001 32nd Avenue South
Grand Forks, ND 58201

Subscribed and Sworn before me this 15 day of Dec., 2003.

Lynette Franks

(Notary Seal)

Notary Public
State: *North Dakota* County: *Grand Forks*
My Commission Expires: *8/25/2005*

LYNETTE FRANKS
NOTARY PUBLIC
STATE OF NORTH DAKOTA
My Commission Expires: Aug. 25, 2005