

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Charles Archambault)
Respondent)

CONSENT ORDER

.....
The North Dakota Securities Commissioner has advised the respondent, Charles Archambault, that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. From 1984 to 1997, Respondent was an agent registered to do securities business in North Dakota. During that time, he was registered to do securities business with The Equitable, a broker dealer registered to do business in North Dakota.
2. During this time, Respondent made contact with and established a business relationship with Rose Haman, a North Dakota resident. Respondent did not have any prior relationship with Ms. Haman.
3. From 1992 to 1997, Respondent borrowed money from Ms. Haman on several occasions. The loans and partial repayments are discussed below (for a more complete understanding of the loans, repayments, and current balance on the loans, see Schedule A, attached hereto and incorporated herein by reference):
 - a. 1992, Respondent borrowed \$35,000 from Ms. Haman in order to pay for a Federal Income Tax liability, which he had incurred.
 - b. In 1992, Respondent and his wife jointly borrowed \$60,000 from Ms. Haman in order to make a balloon payment required for the purchase of their home. (Respondent agreed to repay this loan with interest at the rate of 6%.)
 - c. From 1996-1997, Respondent received several loans amounting to approximately \$12,000. It is not clear the reason for those loans.
 - d. Respondent has made some payments to Ms. Haman in partial repayment of the debt. Those payments are approximately \$3,000.
4. In 1996, the insurance license of the respondent was suspended by the North Dakota Insurance Commissioner because they had learned that respondent borrowed money from an insurance client. Shortly thereafter, the respondent was terminated for cause by the Equitable. The respondent has not applied to be registered as a securities agent in North Dakota since his registration with The Equitable.

5. It is considered an unethical or deceptive practice for a agent in North Dakota to borrow money from a client (See N.D.A.C. §73-02-09-03(1). Further, by soliciting and accepting these loans, respondent was "selling away" from his broker dealer and placing his customer in other, non-registered investments. These activities were done in violation of N.D.C.C. § 10-04-15

6. Respondent is an enrolled member of the Sioux Indian tribe, and he is the beneficial owner of some reservation trust land located on the reservation. The legal description of the property is as follows:

Allotment 1942: N1/2 SE1/4, SW1/4 SE 1/4, W1/2 SE1/4 SE 1/4 Sec 6 Twn 131n Rge 79w 5th Principle Meridian ND Containing 140 Acres.
Allotment 1974: All Of Section 9 Twn 132n Rge 80w 5th Principle Meridian ND Containing 640 Acres.

That land is the respondents' only significant asset. Respondent has taken steps to sell the property and herein agrees and pledges the proceeds from the sale to be paid to Ms. Haman in repayment of the debt. Respondent has approximated the value of the property at \$130,000.

7. 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, 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.

8. Respondent has a right to a hearing on this matter, but affirmatively waives any right to a hearing and to present arguments to the Commissioner regarding this matter.

9. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order, and this is evidenced by respondent'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 hereby Ordered and Agreed as follows:


1. Respondent shall make payment to Ms. Haman, or to her assigns or heirs, in the amount of \$162,698.77, plus interest commencing on January 1, 2001, which shall accrue at the rate of 6% per annum until the payment is made in full. Respondent shall sell his real property located in Sioux

County, described in more detail in paragraph 6 above, and the net proceeds from the sale of the property shall be paid to Ms. Haman to the extent necessary to repay the debt. The sale of this property shall be completed within one year from the date of entry of this order. Pending the sale of the property, Respondent shall pay to Ms. Haman funds in the amount of \$200 per month. If the payment to Ms. Haman based on the sale of the property and other payments made hereunder, do not amount to the debt outstanding, the respondent shall negotiate with the Commissioner for a payment plan to resolve the remaining balance. Such plan will take the form of an amended Consent Order.

2. The Commissioner hereby assesses a civil penalty in the amount of \$70,000 against the respondent, but that civil penalty is suspended and shall not be enforced by the Commissioner so long as the respondent complies with the terms of paragraph 1 above.
3. The respondent shall not apply to be registered as a securities agent, investment advisor representative, or in any other capacity which might require approval by the Commissioner until respondent has complied with the terms of paragraph 1 above.
4. Nothing in this order shall be interpreted to preclude Ms. Haman or any of her assigns or heirs from bringing any private action against the respondent or against any other person based on the facts set forth herein, including bringing suit under section 10-04-17 N.D.C.C.
5. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 5th day of March, 2001.




Syver Vinje, Securities Commissioner
Office of the 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 Charles Archambault,)
)
Respondent)


**CONSENT TO ENTRY
OF ORDER**

.....


I, Charles Archambault, the undersigned, state that I have read the foregoing Consent Order and that I know and fully understand its contents and effects. I do hereby admit to engaging in all of the acts outlined above, and I further state that I execute this Consent to Entry of Order willingly and in my personal capacity. I acknowledge that I have waived my rights to a hearing with respect to this matter, and that I 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 2 day of March, 2001.


Charles Archambault
2920 Warwick Loop, Apt. 5
Bismarck, ND 58504

Subscribed and sworn to before me this 2nd day of march, 2001.


Matthew Bismarck notary public
State of North Dakota, Burleigh County
My Commission Expires: 4/26/2002

**INTEREST ADJUSTED LOAN BALANCES
AS OF DECEMBER 31, 2000**

Transaction Date	Transaction	LOAN AMOUNT	INTEREST	PERIOD (Years)	End of Period ADJ LOAN	Explanation
11/12/1992	\$ 35,000.00	\$ 35,000.00	6.00%	0.08	\$35,158.98	Initial loan for IRS tax lien
12/10/1992	\$ 60,000.00	\$95,158.98	6.00%	1.54	\$104,069.24	Loan for house, no contract until 2/22/94
6/23/1994	\$ (506.31)	\$ 103,562.93	6.00%	0.09	\$104,100.73	Payment
7/25/1994	\$ (503.00)	\$ 103,597.73	6.00%	0.05	\$103,883.18	Payment
8/12/1994	\$ (509.00)	\$ 103,374.18	6.00%	0.08	\$103,877.36	Payment
9/12/1994	\$ (506.00)	\$ 103,371.36	6.00%	0.08	\$103,874.52	Payment
10/12/1994	\$ (506.00)	\$ 103,368.52	6.00%	0.08	\$103,871.67	Payment
11/12/1994	\$ (506.00)	\$ 103,365.67	6.00%	1.59	\$113,374.20	Payment
6/13/1996	\$ 2,000.00	\$ 115,374.20	6.00%	0.13	\$116,255.24	Loan-use unknown
7/30/1996	\$ 1,500.00	\$ 117,755.24	6.00%	0.06	\$118,194.43	Loan-use unknown
8/23/1996	\$ 2,000.00	\$ 120,194.43	6.00%	0.36	\$122,710.57	Loan-use unknown
1/1/1997	\$ 600.00	\$ 123,310.57	6.00%	0.27	\$125,261.85	Loan-use unknown
4/8/1997	\$ 6,000.00	\$ 131,261.85	6.00%	2.53	\$152,091.92	Loan-use unknown
10/18/1999	\$ (100.00)	\$ 151,991.92	6.00%	1.06	\$161,686.15	Payment
11/10/2000	\$ (100.00)	\$ 161,586.15	6.00%	0.07	\$162,267.59	Payment
12/6/2000	\$ (100.00)	\$ 162,167.59	6.00%	0.07	\$162,798.77	Payment
12/30/2000	\$ (100.00)	\$ 162,698.77	6.00%	0.00	\$162,698.77	Payment
12/31/2000	\$ (100.00)	\$ 162,698.77	6.00%	0.00	\$162,698.77	End of Year
Total	\$ 103,663.69					
12/31/2000	Total Amount Due Adjusted For Interest				\$162,698.77	

Notes:

The interest rate for all the loans was 6% compounded yearly.
Interest is currently accumulating at over \$9,600 a year.