

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of Debt Management)
Club, and their officers, directors,)
agents, and employees,)
Respondent)

- 71962

CONSENT ORDER

.....
The North Dakota Securities Commissioner has advised the respondents, Debt Management Club, Fair Tax, Renesa Leeds, and their officers, directors, agents and employees that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondents, Debt Management Club and Fair Tax are entities which are headquartered at 5813 Laurel Canyon Boulevard, Suite 104, Valley Village, California and that at all times relevant to this matter, respondent, Renesa Leeds, was a person soliciting the investment program of the Debt Management Club.
2. From 1997 to the present, respondents offered for sale and sold securities to residents of North Dakota in the form of their investment program, which included the solicitation of other persons to invest in the investment program of the respondents. Investors in the program were provided with the opportunity to have their debts paid by Debt Management Club based on their success in soliciting other investors.
3. In total, respondents have acknowledged having 13 North Dakota residents as investors and they acknowledge having raised more than \$3,000 from those investors.
4. Based, in part, on the information set forth above, the Commissioner issued a Cease and Desist Order against the respondents on July 7, 1999.
5. Pursuant to NDCC section 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.
6. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondents pursuant to NDCC section 10-04-16.
7. Respondent acknowledges its right to a hearing on this matter and, upon advice of counsel, waives its right to a hearing in this matter and to present arguments to the Commissioner.

8. Respondent agrees to resolve this matter with the Office of the Securities Commissioner by this agreement, and this is evidenced by its representative's signature below.

9. 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 respondent is registered as a dealer or properly exempted under NDCC Chapter 10-04.

2. Respondents shall not employ any person to represent them as a securities agent for any securities business with any person in North Dakota unless such person is registered as an agent under section 10-04-10 N.D.C.C. or properly exempted from registration under section 10-04-06 N.D.C.C.

3. Respondents shall not engage in any fraudulent activities with regard to any securities activities in the state of North Dakota.

4. Respondents shall, within ten days of the issuance of this order, make an offer of rescission, by mailing attachment A, which is attached hereto and incorporated herein by reference, to all of the investors in the program, as set forth on attachment B, which is attached hereto and incorporated herein by reference. Respondents shall pay each person who requests a rescission, a full return of their investment plus interest at the rate of 6% per annum. Such payment shall be made within 30 days of the date the rescission is requested.

5. Respondents shall pay a civil penalty of \$1,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16.

6. The Commissioner's Cease and Desist Order issued on July 7, 1999 is hereby vacated.

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

Signed and Sealed this 21st day of September, 1999.



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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COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of Debt Management)
Club, Fair Tax, Renesa Leeds, and)
their officers, directors, agents,)
and employees,)
Respondent)

CONSENT TO ENTRY
OF ORDER

.....

The undersigned, acting on behalf of the respondents, states that he/she has read the foregoing Consent Order, that he/she knows and fully understands its contents and effects, and that he/she is authorized to execute this Consent to Entry of Order on behalf of the respondents. The respondents, without admitting or denying the Commissioner's Findings, have waived their right to a hearing with respect to this matter and 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 _____, 1999.

Debt Management Club, Fair Tax
and Renesa Leeds
5813 Laurel Canyon Blvd., Suite 104
Valley Village, CA 91607

By: _____
(Type or Print Name)

Signed: _____
Capacity: _____

Subscribed and Sworn before me this _____ day of _____, 1999.

(Notary Seal)

Notary Public
State: _____ County: _____
My Commission Expires: _____

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
COMMISSIONER

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Dated this 16th 15 day of DEC., 1999.

Debt Management Club
5813 Laurel Canyon Blvd., Suite 104
Valley Village, CA 91607

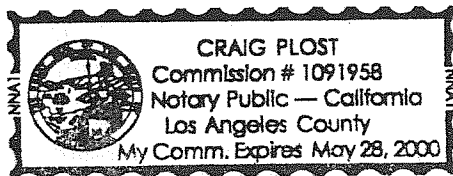
By: BORIS ISAACSON
(Type or Print Name)

Signed: Boris Isaacson
Capacity: Pres.

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

Craig Plost
Notary Public Craig Plost
State: California County: Los Angeles
My Commission Expires: May 28, 2000

(Notary Seal)



A

Re: Draft Rescission Letter For Debt Management Club

Dear Customer:

This letter is to inform you that the Debt Management Club ("DMC") will no longer be able to provide you with any of the services outlined in your membership agreement, including payment of your debts or any cash payments to you of any kind. Accordingly, DMC is hereby offering to refund your membership for a cash price equal to the amount you originally tendered to DMC and 6% interest calculated at an annual rate. This refund will be payable upon delivery of written acceptance of this offer and the return of any products which you received as a member of DMC.

By accepting this offer, you will be terminating your membership in DMC and forfeiting all benefits thereunder. In addition, you will be required to return any unused portion of the products which were provided to you as a member of DMC.

If you should choose not to accept this offer, you will of course be allowed to keep any products which were provided to you as a member. However, as discussed above, your membership in DMC will not include payment of your debts, nor cash payments or disbursements of any kind.

This rescission offer shall be valid for a period of thirty days after receipt and will become void thereafter. Therefore, if you wish to accept DMC's offer on the terms described above, you must send a written letter indicating acceptance and return all products supplied to you within thirty days of receipt of this letter.

Very truly yours

DEBT MANAGEMENT CLUB

B

LIST OF INVESTORS

NAME	ADDRESS	CITY	STATE	ZIPCODE	INVESTMENT
Daniel Dakutak	1804 NW. Avenue	Minot	ND	58703	\$ 537.00
Terry Fichtner	2310 9th Avenue	Emerado	ND	58228	\$ 200.00
Darell Forten			ND		\$ 215.00
Don Kramer	P. O. Box 1807	Dickinson	ND	58602	\$ 50.00
Tim Lamb	P. O. Box 5562	Grand For	ND	58206	\$ 200.00
Mitch Presley	501 2nd Ave. N	Glenburn	ND	58740	\$ 537.00
Eugene Rice	675 72nd Street N.	Towner	ND	58788	\$ 215.00
Joani Skaare	P. O. Box 934	Dickinson	ND	58601	\$ 54.00
Larry Slaubaugh	4652 78th Street N	Wolford	ND	58385	\$ 215.00
George Speidel	8143 86th Street S.	Monango	ND	58436	\$ 537.00
Lori Stave			ND		\$ 215.00
Tim Were	136 Oak Manor	Fargo	ND	58103	\$ 215.00
Gary Woossner	1528 8th Street N, Unit 12	Fargo	ND	58102	\$ 50.00
Total					\$ 3,240.00