

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Dulon, L.L.P.;)
and their Officers, Directors,)
Agents and Employees,)
Respondent.)

**DESIST AND REFRAIN ORDER,
NOTICE OF CIVIL PENALTY, AND
NOTICE OF RIGHT TO
REQUEST A HEARING**

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**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO
AND THEIR OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES:**

The Securities Commissioner has a reasonable basis to believe that the Respondents have engaged in, are engaging in, or are about to engage in, acts, practices or transactions, as more fully described below, which are prohibited under Chapter 51-19 of the North Dakota Century Code (N.D.C.C.). It is necessary and appropriate in the public interest and for the protection of franchise investors to restrain these acts, practices, or transactions of the Respondents.

1. The Respondents have offered for sale and/or sold franchises to residents of North Dakota in violation of §51-19-03 N.D.C.C.
2. The subject franchises have not been registered with the Securities Commissioner under Chapter 51-19 N.D.C.C., nor are they exempt under §51-19-04 N.D.C.C.

NOW, THEREFORE, IT IS ORDERED, pursuant to §51-19-13(f) N.D.C.C., that the Respondents shall immediately **DESIST AND REFRAIN** from offering for sale or selling in North Dakota any franchise, unless and until such franchise has been registered with the Securities Commissioner. This does not prohibit the sale of franchises that are exempt pursuant to §51-19-04 N.D.C.C.

YOU ARE NOTIFIED that any willful violation of this order is a Class B Felony pursuant to §51-19-14(1) N.D.C.C. Pursuant to §12.1-32-01 N.D.C.C., a Class B Felony is punishable by a \$10,000 fine and 10 years' imprisonment.

NOTICE OF CIVIL PENALTIES

YOU ARE NOTIFIED that the above-cited violations are sufficient grounds for the imposition of civil penalties pursuant to §51-19-13(f) N.D.C.C. The Securities Commissioner does not herein assess civil penalties, but the Commissioner expressly reserves the authority to assess civil penalties, not to exceed \$10,000 per violation, regarding the violations outlined above, any other violations subsequently discovered, or any future franchise violations or violations of this order.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §51-19-13(f) N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing. The respondents have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 28th day of July, 2003.





Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
600 East Boulevard Ave.
State Capitol – Fifth Floor
Bismarck, ND 58505-0510
(701) 328-2910

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**AFFIDAVIT OF SERVICE
BY MAIL**

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I, Jacqui Ferderer, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On this 28 day of July, 2003, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, a true and correct copy of each of the following documents:

**CEASE AND DESIST ORDER, NOTICE OF CIVIL PENALTY,
AND NOTICE OF RIGHT TO REQUEST A HEARING**

A copy of the above document was securely enclosed in an envelope with postage duly prepaid, sent via certified mail, return receipt requested, addressed to the following:

Duane J. Fierstine
Dulon L.L.P.
2552 S. 45th Street, Suite D
Fargo, ND 58104-8620

To the best of my knowledge, information, and belief, the address given above is the actual mailing address for the party intended to be served or of the attorney representing that party.

Jacqui Ferderer
Jacqui Ferderer

Subscribed and sworn to before me this 28th day of July, 2002.

Harold P. Kocher
Harold P. Kocher, Notary Public
Burleigh County, North Dakota
My commission expires 4/26/2008