

**STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH**

**BEFORE THE
SECURITIES COMMISSIONER**

In the Matter of Educate America)
Resource Network, Financial Planning)
Consultants, Gary E. Luckow,)
Scott W. Grant, and their Officers,)
Directors, Agents and Employees,)
Respondents.)

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

.....
**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO
EDUCATE AMERICA RESOURCE NETWORK, FINANCIAL PLANNING
CONSULTANTS, GARY E. LUCKOW, SCOTT W. GRANT 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 10-04 of the North Dakota Century Code (N.D.C.C.). It is necessary and appropriate in the public interest and for the protection of investors to restrain these acts, practices, or transactions of the Respondents.

1. The Respondents, Educate America Resource Network, Gary E. Luckow, and Scott W. Grant have offered for sale and/or sold investments, in the form of debentures and warrants in Educate America Resource Network, to residents of North Dakota in violation of §10-04-04 N.D.C.C. The subject investments are securities as defined in §10-04-02(15) N.D.C.C.
2. The subject investments have not been registered with the Securities Commissioner under §10-04-07; §10-04-07.1; §10-04-08; or §10-04-08.1 N.D.C.C.; are not exempt securities under §10-04-05 N.D.C.C; and have not been offered for sale or sold in exempt transactions under §10-04-06 N.D.C.C.
3. The Respondents, Gary E. Luckow and Scott W. Grant, have not registered as an agent in violation of §10-04-10(2) N.D.C.C.
4. The Respondent, Educate America Resource Network, is not and was never registered as a broker/dealer in North Dakota in violation of §10-04-10(1) N.D.C.C.

5. The Respondents, Financial Planning Consultants and Gary E. Luckow, have advised persons to invest in Educate America Resource Network. Respondent, Gary E. Luckow was not registered as an investment advisor representative as required by §10-04-10(4) N.D.C.C. Respondent, Financial Planning Consultants was not registered as an investment advisor as required by §10-04-10(3) N.D.C.C.
6. The Respondents have engaged in a scheme or artifice to defraud investors and potential investors through the investment scheme, in violation of §§ 10-04-15 and 10-04-10.1(1) N.D.C.C.

NOW, THEREFORE, IT IS ORDERED, pursuant to §10-04-16 N.D.C.C., that the Respondents shall immediately **CEASE AND DESIST**:

1. From offering for sale or selling in North Dakota the subject investment, or any other investment interest however denominated, unless and until such investment interests have been registered with the Securities Commissioner.
2. From offering for sale or selling investments in North Dakota unless and until they have registered with the Securities Commissioner as dealers or agents.
3. From advising persons to invest in any security unless and until:
 - a. Such securities are registered or exempt from registration in North Dakota; and,
 - b. Respondents have registered with the Securities Commissioner as investment advisors or investment advisor representatives
4. From engaging in any scheme or artifice to defraud investors or potential investors, or otherwise engaging in a fraudulent or deceptive act while offering for sale or selling securities or investments, or advising persons to invest in securities or investments, in North Dakota or to North Dakota residents.

This order does not prohibit the offer or sale of securities through exempt securities transactions under §10-04-06 N.D.C.C., nor does it prohibit registered dealers and agents from offering or selling exempt securities under §10-04-05 N.D.C.C.

YOU ARE NOTIFIED that any willful violation of this order is a Class B Felony pursuant to §10-04-18(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 §10-04-16(1) N.D.C.C. The Securities Commissioner does not herein assess a civil penalty, 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 securities violations or violations of this order.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §10-04-12 N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER. The respondents have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 1st day of March, 2000.





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