

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of)
Financial Advantage Brokerage)
Services, Inc., Bradley Wells, and)
Bruce Hager,)
)
)
Respondents.)

CONSENT ORDER

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The Office of the North Dakota Securities Commissioner has advised the Respondents that it is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has alleged that:

1. Financial Advantage, through its agents, Bradley Wells and Bruce Hager, improperly supervised its salesmen in violation of the NASD rules of fair practice and in violation of their own supervisory procedures through their distribution of mail directly to the salesmen without review of the supervisor in the Fargo Office.
2. Financial Advantage sold unsuitable and speculative investments in Financial Advantage stock to customers whose investment objectives did not include speculation.
3. Financial Advantage, through its agent Bruce Hager, the supervisor at the Fargo Office, an office of supervisory jurisdiction, violated NASD rules of fair practice by failing to review and monitor new account forms and trade confirmations.
4. Financial Advantage, through its agents, Bradley Wells and Bruce Hager, failed to maintain complaint files as required by NASD rules of fair practice.
5. Financial Advantage, through its agents, Bradley Wells and Bruce Hager, failed to provide information to the Office of the Securities Commissioner.
6. Pursuant to §10-04-16 N.D.C.C., whenever 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 Ch. 10-04 N.D.C.C., the Commissioner may issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of chapter 10-04 in an amount not to exceed \$10,000 for each violation.
7. The violations described above constitute sufficient grounds for the imposition of civil penalties under Ch. 10-04 N.D.C.C.

8. The respondents believe they have adequate defenses to the allegations listed above, but waive their right to a hearing in this matter and to present arguments to the Commissioner. Respondents neither admit nor deny the allegations listed above, but agree to the entry of this order as indicated by their signatures below.

9. Respondents acknowledge their right to be represented by legal counsel throughout this proceeding, and have agreed to an informal disposition of this matter, without a hearing.

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

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents Bradley Wells and Bruce Hager shall comply with all rules and regulations promulgated by the State of North Dakota and the National Association of Securities Dealers regarding any securities matter, including supervisory procedures.

2. Respondents Bradley Wells and Bruce Hager shall comply with the internal procedures of their company or employer relating to supervisory procedures so long as they retain any supervisory position.

3. Respondent Bradley Wells shall pay a civil penalty of \$1000 to the Office of the Securities Commissioner pursuant to §10-04-16 N.D.C.C.

4. Respondent Bruce Hager shall pay a civil penalty of \$1000 to the Office of the Securities Commissioner pursuant to §10-04-16 N.D.C.C.

5. The salesmen applications of Bruce Hager and Bradley Wells as agents for American Investment Services, Inc., a subsidiary of AISCO Holdings, Ltd., will be approved for registration in North Dakota.

6. The "Revocation of Exemption" issued by the Office of the Securities Commissioner on March 7, 1997 is hereby rescinded with respect to all parties concerned, and the investigation and proceedings regarding all matters to date involving AISCO Holdings, Ltd., Financial Advantage Brokerage Services, Inc., Bradley Wells and Bruce Hager have been concluded. Nothing herein shall preclude the Securities Commissioner from investigating future complaints regarding these parties.

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

Dated at Bismarck, North Dakota, on April 17, 1997.



Cal Hoovestol

CAL HOOVESTOL
SECURITIES COMMISSIONER
State Capitol-5th Floor
Bismarck, ND 58505-0510
(701) 328-2910

The persons undersigned state that they have read the foregoing Consent Order; that they know and fully understands its contents and effects; that they are authorized to execute this Consent to Entry of Order on behalf of the Respondents; that Respondents have waived their rights to a hearing with respect to this matter; and that Respondents consent to entry of the Consent Order by the Securities Commissioner without admitting or denying the findings of fact and conclusions of law contained herein. 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.

Financial Advantage Brokerage Services, Inc.,

By: Bradley P. Wells
(Type or Print Name)

Signed: [Signature] Date: 4-15-97
Capacity: President

Signed: [Signature] Date: 4-15-97
Bradley Wells

Signed: Bruce A Hager Date: 4-16-97
Bruce Hager