

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

FIRST NATIONAL SERVICES
P.O. Box 1025
New City, New York 10956-8025,
and its officers, directors,
agents and employees,

CEASE & DESIST ORDER
REQUEST FOR INFORMATION
\$30,000 CIVIL PENALTY
NOTICE OF OPPORTUNITY
FOR HEARING

Respondent,

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WHEREAS, it is alleged that:

(1) the Respondent is not registered in North Dakota as an "investment adviser," "investment adviser representative," "dealer," or "salesman" as defined in NDCC 10-04-02;

(2) the Securities Commissioner has reasonable grounds to believe that the Respondent has engaged or is about to engage in activities to offer or sell investment advice or securities to investors in North Dakota without proper registration with the Office of the Securities Commissioner;

(3) the Respondent has engaged or is about to engage in a pyramid promotional scheme, in violation of NDCC 51-16.1-02;

(4) the Securities Commissioner has authority to issue this Cease and Desist Order and to request information; and

(5) the Securities Commissioner finds it to be in the public interest to issue this Cease and Desist Order and to provide an opportunity for a hearing;

NOW THEREFORE, IT IS HEREBY ORDERED as follows:

(1) the Respondent immediately shall Cease and Desist from all activities involving the offer or sale of investment advice or securities in North Dakota;

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(2) on or before March 1, 1994, the Respondent shall provide to Nancy J. Lewis in the Office of the Securities Commissioner the following information:

(a) the name, address, and telephone number of every person in North Dakota to whom the Respondent made an offer or sale of investment advice or securities during the period from February 3, 1989 to February 2, 1994; and

(b) copies of any written materials or telephone scripts used for the offer or sale of investment advice or securities in North Dakota from February 3, 1989 to February 2, 1994, and the number of people in North Dakota who received each of the written materials or telephone offers; and the name, address, and telephone number of each person who purchased materials or transferred money or funds to the Respondent;

(3) the Respondent shall pay a CIVIL PENALTY OF \$30,000 to the Office of the Securities Commissioner; and

(4) the Respondent may make a WRITTEN REQUEST FOR A HEARING of this matter before the Securities Commissioner if the request is made WITHIN TEN (10) CALENDAR DAYS FROM THE RECEIPT OF THIS ORDER, and the Respondent shall have an opportunity to be represented by legal counsel and to present evidence and testimony at the hearing.

Dated at Bismarck, North Dakota on February 2, 1994.

(Seal)

Cal Hoovestol
Securities Commissioner