

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Gregory A. Grossman, )  
 )  
 Respondent. )

CONSENT ORDER

.....  
The North Dakota Securities Commissioner has advised the Respondent, Gregory A. Grossman, that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, Gregory A. Grossman, is a resident of Minnesota who has previously been a securities agent employed by and associated with several securities dealers, including ASKAR, Corp. Grossman was also licensed as an insurance agent for several insurance companies.
2. ASKAR, Corp., is a securities dealer headquartered in Bloomington, Minnesota. ASKAR, Corp. is, and for all times relevant to this matter, has been registered as a dealer with the Securities Department.
3. On March 15, 2001, the North Dakota Insurance Commissioner issued a Consent Order wherein the Commissioner found that Mr. Grossman violated the insurance laws and suspended the insurance agent license of Mr. Grossman for a period of 1 year.
4. On May 16, 2001, Mr. Grossman became affiliated with ASKAR, Corp. as a securities agent.
5. On or around August 30, 2001, at Mr. Grossman's request, ASKAR, Corp. submitted an application for registration of Mr. Grossman as an agent in North Dakota. ASKAR submitted the form U-4, wherein Mr. Grossman did not properly disclose the Insurance Commissioner's Consent Order, and specifically denied that he had been found to have violated investment-related laws, was the subject of an Order, and that he had a license suspended.
6. Pursuant to Section 10-04-15(1) N.D.C.C., no person may knowingly make or cause to be made any false statement or misrepresentation in any application with the Securities Department. The facts set forth above demonstrate that Respondent engaged in one violation of this section.
7. Pursuant to Section 10-04-16 N.D.C.C., 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 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. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against the Respondent pursuant to Section 10-04-16(1) N.D.C.C.

8. Respondent acknowledges its right to a hearing on this matter and waive this right to a hearing and to present arguments to the Commissioner.

9. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order.

10. The following Order is necessary and appropriate in the public interest and for the protection of investors.

**NOW, THEREFORE, IT IS ORDERED, THAT:**

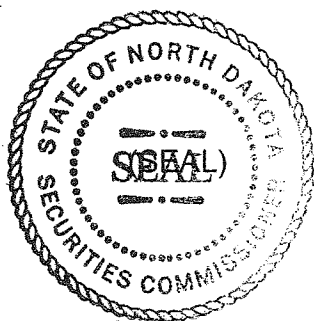
1. Respondent shall not submit applications to the Securities Department if they, or any of them, contain false or misleading statements or other misrepresentations.


2. Respondent shall not apply to be registered as a securities agent in North Dakota for a period of at least ninety (90) days from the date of this Order.

3. Respondent shall pay a civil penalty of \$1,000, made payable to the North Dakota Securities Department, pursuant to NDCC §10-04-16(1).

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

Signed and Sealed this 9<sup>th</sup> day of February, 2004.



  
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Karen J. Tyler, Securities Commissioner  
Office of the Securities Commissioner  
State Capitol-5th Floor  
600 East Boulevard Ave.  
Bismarck, ND 58505-0510  
(701) 328-2910

**STATE OF NORTH DAKOTA**

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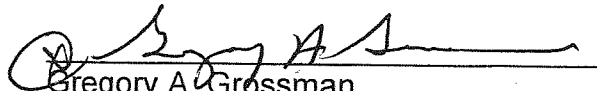
In the Matter of Gregory A. Grossman, )  
 )  
 Respondent. )

**CONSENT TO ENTRY  
OF ORDER**


.....  
Based on mutual concessions and a willingness to resolve all matters discussed in the foregoing Consent Order, the Respondent, Gregory A. Grossman, states that:

1. He has read the foregoing Consent Order, and knows and fully understands its contents and effects.
2. The Respondent has been advised of his right to a hearing with regard to this matter, and has specifically waived his right to a hearing.
3. The Respondent has been advised that any willful violation of this order is a Class B Felony pursuant to Section 10-04-18(1) N.D.C.C. and is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person, pursuant to Section 12.1-32-01(3) N.D.C.C. or by a \$35,000 fine with respect to an organization, pursuant to Section 12.1-32-01.1(2) N.D.C.C.
4. The foregoing Consent Order constitutes the entire settlement agreement between the Respondent and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.
5. The Respondent admits the accuracy of the factual determinations of the Commissioner, as set forth in the foregoing Consent Order, and is specifically precluded from denying the Commissioner's determinations in any forum, public or otherwise.
6. The Respondent consents to entry of the foregoing Consent Order by the Securities Commissioner, and does so willingly for the purpose of resolving the issues described in the foregoing Consent Order.

Dated this 30<sup>th</sup> day of January, 2004.

  
Gregory A. Grossman  
206 East 3rd Street  
Chokio, MN 56221

Subscribed and Sworn before me this 30<sup>th</sup> day of January, 2004.

  
Notary Public  
State: Minnesota County: Dakota  
My Commission Expires:

(Notary Seal)

