

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Highbury Capital, Inc.;)
Inner Technologies Corp.; Jeffrey C.)
Hoyt; Scott N. Howard; Ron Stogner;)
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
HIGHBURY CAPITAL, INC.; INNER TECHNOLOGIES CORP.; JEFFREY C.
HOYT; SCOTT N. HOWARD; RON STOGNER; 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 have offered for sale and/or sold investment(s), including stock and/or notes to residents of North Dakota. The subject investment(s) are securities as defined in §10-04-02(15) N.D.C.C.
2. The subject investments are were not registered as securities in North Dakota, nor were they exempt from the registration provisions of §10-04-04 N.D.C.C.
3. None of the respondents were registered as a dealer or an agent, nor where the securities offered through an exempt securities transaction. As such, each offer or sale was made in violation of §10-04-10 N.D.C.C.

4. Respondents made misrepresentations about the nature of the investments, and did so in violation of the anti-fraud provisions of § 10-04-15 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 providing false or misleading information in connection with an offer or sale of securities in North Dakota.

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

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 N.D.C.C. §10-04-16(1). The Securities Commissioner does not herein assess a civil penalty, but the

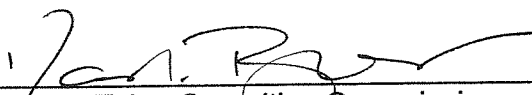
Commissioner expressly reserves the authority to assess civil penalties, not to exceed \$10,000 per violation, regarding the violations outlined above, any other violations subsequently discovered, or any future securities violations or violations of this order.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §§ 10-04-16 and 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 2nd day of January, 2002.





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

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Highbury Capital, Inc.;)
Inner Technologies Corp.; Jeffrey C.)
Hoyt; Scott N. Howard; Ron Stogner;)
and their Officers, Directors, Agents,)
and Employees,)
Respondents.)

AFFIDAVIT OF MAILING

.....
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, January 2, 2002, I distributed in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, true and correct copies of the following document:

**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 prepaid, sent via Certified U. S. mail, return receipt requested, and addressed to each of the following:

Highbury Capital, Inc.
P. O. Box 20355
Rochester, NY 10602

Highbury Capital, Inc.
146 Halstead Street, Suite 204
Rochester, NY 10610

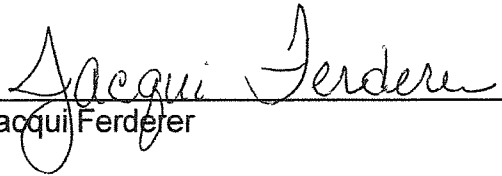
Jeffrey C. Hoyt
1 Carriage House Lane
Rochester, NY 14624

Jeffrey C. Hoyt
C/O Highbury Capital, Inc.
146 Halstead Street, Suite 204
Rochester, NY 10610

Scott N. Howard
C/O Highbury Capital, Inc.
146 Halstead Street, Suite 204
Rochester, NY 10610

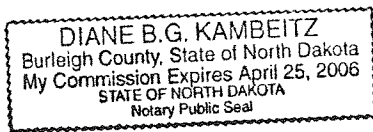
Ron Stogner
C/O Highbury Capital, Inc.
146 Halstead Street, Suite 204
Rochester, NY 10610

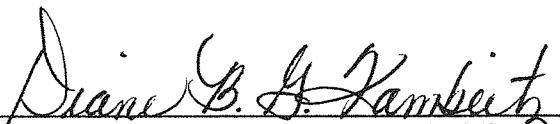
To the best of my knowledge, information, and belief, the address given above is the last known address of the party intended to be served.



Jacquie Ferderer

Subscribed and sworn to before me on January 2, 2002.





Diane B. G. Kambeitz, Notary Public
Burleigh County, North Dakota
My commission expires 4/25/2006