

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

BEFORE THE  
SECURITIES COMMISSIONER

In the Matter of Independent Financial, Eric Guichet, Gary Lowenthal and all other Officers, Directors, Agents, Servants and Employees of Independent Financial )  
CEASE AND DESIST ORDER )  
AND NOTICE OF OPPORTUNITY )  
FOR HEARING )

THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO INDEPENDENT FINANCIAL, ERIC GUICHET, GARY LOWENTHAL AND ALL OTHER OFFICERS, DIRECTORS, AGENTS, SERVANTS AND EMPLOYEES OF INDEPENDENT FINANCIAL.

1. It appears to the Securities Commissioner that Independent Financial, Eric Guichet, Gary Lowenthal and all other officers, directors, agents, servants and employees of Independent Financial ("Respondents"), have engaged, are engaging, or are about to engage in acts and practices which may constitute violations of the North Dakota Commodities Act of 1989 (Chapter 51-23 of the North Dakota Century Code).

2. The Respondents have offered for sale, solicited an order or offer to buy, or sold to North Dakota residents, commodities or commodity contracts in the form of bank-financed precious metals purchase agreements.

3. The subject purchase agreements appear to have been offered to North Dakota residents in violation of the fraudulent conduct provisions contained in Section 51-23-07, N.C.C.C.

NOW, THEREFORE, IT IS ORDERED, that Independent Financial, Eric Guichet, Gary Lowenthal and all other officers, directors,

agents, servants and employees of Independent Financial cease and desist from acts and practices in violation of Chapter 51-23 of the North Dakota Century Code.

YOU ARE NOTIFIED that a hearing will be held in this matter if a request for such hearing is filed in writing by any interested party within fifteen days after the receipt hereof.

IN TESTIMONY WHEREOF, witness my hand and seal this 28<sup>th</sup> day of March, 1990.

(SEAL)

/S/  
GLENN POMEROY  
SECURITIES COMMISSIONER

STATE OF NORTH DAKOTA

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AFFIDAVIT OF MAILING

STATE OF NORTH DAKOTA )  
 ) ss.  
COUNTY OF BURLEIGH )

RaNelle Anderson, being first duly sworn under oath, deposes and says:

1. That she is 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.

2. That on the 28 day of March, 1990, she deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, a true and correct copy of the following document:

CEASE AND DESIST ORDER AND  
NOTICE OF OPPORTUNITY FOR HEARING

3. That a copy of the above document was securely enclosed in an envelope with postage duly prepaid, certified mail, return receipt requested, and addressed as follows:

Independent Financial  
5050 Palo Verde, Suite 206  
Montclair, CA 91763

4. That to the best of her knowledge, information, and belief, the address given above is the actual post office address of the party intended to be so served.

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RANELLE ANDERSON

Subscribed and sworn to before me this 28 day of March, 1990.

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MARGARET BRINTNELL, Notary Public  
Burleigh County, North Dakota  
My commission expires 8-9 95.