

STATE OF NORTH DAKOTA

SECURITIES DEPARTMENT

In the Matter of IRAX International, LLC;)
Impact Industries International, LLC;)
Financial Planning Services, Inc.; and) **CONSENT ORDER**
Bruce Anderson;)
Respondents.)

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The North Dakota Securities Commissioner has advised the Respondents; IRAX International, LLC; Impact Industries International, LLC; Financial Planning Services, Inc.; and Bruce Anderson; 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, IRAX International, LLC, (hereinafter, IRAX) is a securities issuer headquartered in Idaho. For all times relevant to this matter, IRAX has been controlled by the Respondent, Bruce Anderson.
2. Respondent, Impact Industries International, LLC, (hereinafter, Impact) is a securities issuer headquartered in Idaho. For all times relevant to this matter, Impact has been controlled by the Respondent, Bruce Anderson.
3. Financial Planning Services, Inc. (hereinafter, FPS) is a broker-dealer headquartered in Idaho. FPS is not now and has never been registered as a broker-dealer with the Securities Department, or with any other state or federal securities regulator. For all times relevant to this matter, FPS has been controlled by the Respondent, Bruce Anderson.
4. Respondent, Bruce Anderson, is an Idaho resident who controls each of the respondents mentioned above. Anderson is not registered as a securities agent with the Securities Department.

5. Rodney Kirschmann is an Idaho resident who was employed by and associated with FPS. Kirschmann is not now and has never been registered as an agent with the Securities Department.
6. During 2001 and 2002, Respondents sold Impact and IRAX securities to at least twenty residents of North Dakota. Such activity took place in North Dakota.
7. The IRAX securities have not been registered with the Securities Department under N.D.C.C. §§ 10-04-07.1, 10-04-08, or 10-04-08.1 N.D.C.C.; are not exempt securities under N.D.C.C. § 10-04-05; have not been offered for sale or sold in exempt transactions under N.D.C.C. § 10-04-06; and are not federal covered securities or have not properly filed as federal covered securities under N.D.C.C. § 10-04-08.4.
8. Based substantially on the facts set forth above, the North Dakota Securities Commissioner issued two separate Cease and Desist Orders on December 21, 2004, in the following matters:
 - a. In the Matter of IRAX International, LLC; Financial Planning Services, Inc.; Bruce Anderson; Rodney Kirschmann; and their Officers, Directors, Agents, and Employees; and,
 - b. In the Matter of Impact Industries International, LLC; Financial Planning Services, Inc.; Bruce Anderson; Rodney Kirschmann; and their Officers, Directors, Agents, and Employees
9. Rodney Kirschmann did not make a timely request for a hearing, and these Cease and Desist Orders are final with respect to Kirschmann. Each of the Respondents identified herein made a timely request for a hearing, and these matters were consolidated for the purposes of an administrative hearing.

10. Pursuant to N.D.C.C. § 10-04-04, no person may sell a security in this state unless the security is registered, exempt from registration, or is a federal covered security. The facts set forth above demonstrate that Respondents, IRAX, FPS, and Anderson, engaged in six violations of this section.

11. Pursuant to N.D.C.C. § 10-04-10(1), no broker-dealer may offer for sale or sell any securities within or from this state unless it is registered as a broker-dealer with the securities department or the securities are sold through exempt transactions under N.D.C.C. § 10-04-06. The facts described above demonstrate that the Respondents, Impact, IRAX, and FPS, engaged in more than twenty violations of this provision.

12. Pursuant to N.D.C.C. § 10-04-10(2), no agent may offer for sale or sell any securities within or from this state, unless registered as an agent in North Dakota or the securities are sold through exempt transactions under N.D.C.C. § 10-04-06. The facts described above demonstrate that the Respondent, Anderson, engaged in more than twenty violations of this provision.

13. Pursuant to N.D.C.C. § 10-04-16, 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 Respondents pursuant to N.D.C.C. § 10-04-16(1).

14. Respondents have entered into a settlement agreement with four North Dakota resident investors, and have agreed to repay their investments in

accordance with terms acceptable to the investors. The settlement agreement is incorporated herein by reference.

15. Respondents acknowledge their rights to a hearing on this matter and waive these rights to a hearing and to present arguments to the Commissioner.

16. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order.

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

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents shall not offer for sale and/or sell any security in North Dakota unless that security is registered or exempt from registration under N.D.C.C. Ch. 10-04.

2. Respondents shall not transact any securities business with any person in North Dakota unless the Respondents are registered as broker-dealers and/or agents or properly exempted under N.D.C.C. Ch. 10-04.

3. Respondents shall not engage in any fraudulent conduct in North Dakota in violation of N.D.C.C. § 10-04-15.

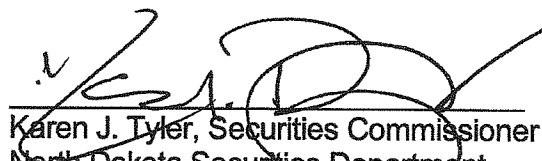
4. Respondents are hereby assessed, jointly and severally, a civil penalty of \$40,000, \$36,000 of which shall be suspended and shall never become due and payable as long as the Respondents comply with each of the following:

- a. Respondents shall pay \$4,000 to the North Dakota Securities Department contemporaneous with the execution of this Consent Order.

- b. Respondents shall not violate the Securities Act (N.D.C.C. Ch. 10-04) or this Consent Order.
 - c. Respondents shall comply with the terms and conditions of the Settlement Agreement, which is incorporated herein by reference.
5. The Respondents are hereby released from the Cease and Desist Orders issued by the Commissioner on December 21, 2004, as discussed above.
6. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 17th day of March, 2007.




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

STATE OF NORTH DAKOTA

SECURITIES DEPARTMENT

In the Matter of IRAX International, LLC;)
Impact Industries International, LLC;)
Financial Planning Services, Inc.; and) **CONSENT TO ENTRY**
Bruce Anderson;) **OF ORDER**
)
Respondents.)

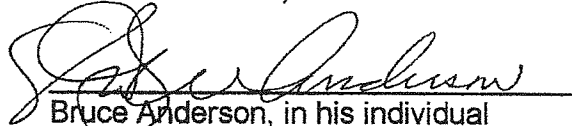
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Based on mutual concessions and a willingness to resolve all matters discussed in the foregoing Consent Order, each of the undersigned persons, on behalf of the Respondents, state that:

- a. He or she has read the foregoing Consent Order, and knows and fully understand its contents and effects.
- b. The Respondents have been advised of their rights to a hearing with regard to this matter, and have specifically waived their rights to a hearing.
- c. The Respondents have been advised that any willful violation of this order is a Class B Felony pursuant to N.D.C.C. § 10-04-18(1) and is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person, pursuant to N.D.C.C. § 12.1-32-01(3) or by a \$35,000 fine with respect to an organization, pursuant to N.D.C.C. § 12.1-32-01.1(2).
- d. The foregoing Consent Order constitutes the entire settlement agreement between the Respondents and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.

e. The Respondents admit the accuracy of the factual determinations of the Commissioner, as set forth in the foregoing Consent Order, and they are specifically precluded from denying those determinations in any forum, public or otherwise.

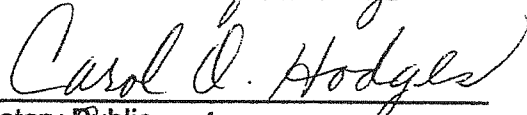
f. The Respondents consent to entry of the foregoing Consent Order by the Securities Commissioner, and do so willingly for the purpose of resolving the issues described in the foregoing Consent Order.

Dated this 23 day of Jan, 2006.⁷



Bruce Anderson, in his individual capacity and as President of Impact Industries International, LLC; IRAX International, LLC; and Financial Planning Services, LLC

Subscribed and Sworn before me this 23rd day of January, ²⁰⁰⁷~~2006~~.



Notary Public
State: Idaho County: Franklin
My Commission Expires: 01-20-11

(Notary Seal)

