

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Kent Johanneson )  
 )  
 Respondent )

**CONSENT ORDER**

.....  
The North Dakota Securities Commissioner has advised the respondent, Kent Johanneson, 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, a North Dakota resident, was an officer of a company called VOIP Communications, Inc. VOIP Communications, Inc. is not now and has never been registered as a Broker Dealer in North Dakota. Respondent is not now and has never been registered as a securities agent in North Dakota.
2. From October to December of 2000, respondent solicited a North Dakota resident to purchase stock and notes in VOIP Communications, Inc. The subject investments were not registered or exempt from the registration provisions of the Securities Act, were not federal covered securities, and were not sold through exempt transactions.
3. Based on the foregoing, on May 21, 2003, the Securities Commissioner issued a Cease and Desist Order against several persons, including the respondent. No hearing was requested with respect to that Order and it is now a final order. It appears that the Respondent is in compliance with that Cease and Desist Order.
4. Pursuant to Section 10-04-04, N.D.C.C., no person may offer or sell any security unless it is registered, exempt from registration, sold through an exempt transaction, or is a federal covered security.
5. Pursuant to section 10-04-10 N.D.C.C., no dealer may offer for sale or sell any securities within or from this state unless registered as a Broker/Dealer, and no agent may offer for sale or sell any securities within or from this state, unless registered as an agent in North Dakota, unless the securities are sold through exempt transactions under section 10-04-06 N.D.C.C.
6. 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 respondent pursuant to section 10-04-16 N.D.C.C.

7. Respondent acknowledges his right to a hearing on this matter and waives this right to a hearing and to present arguments to the Commissioner.

8. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order, and this is evidenced by the signature below.

9. The following Order is necessary and appropriate in the public interest.

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

1. Respondent shall not transact any securities business with any person in North Dakota respondent is registered as an agent, and conducting business through a registered dealer, or properly exempted under Chapter 10-04 N.D.C.C.

2. Respondent shall pay a civil penalty of \$2,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16.

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

Signed and Sealed this 18<sup>th</sup> day of September, 2003.



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

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In the Matter of Kent Johanneson, )  
 )  
 Respondent )

**CONSENT TO ENTRY  
OF ORDER**

.....  
Kent Johanneson, the undersigned, states that he has read the foregoing Consent Order and that he knows and fully understand its contents and effects. He further states that he is executing this Consent to Entry of Order in his personal capacity. He acknowledges that respondent he has waived his rights to a hearing with respect to this matter, and that he consents to entry of the Consent Order by the Securities Commissioner.

It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

Dated this 16<sup>th</sup> day of September, 2003.

*Kent Johanneson*

Kent Johanneson  
121 E Arikara Ave #103  
Bismarck, ND 58501

Subscribed and Sworn before me this 16<sup>th</sup> day of September 2003.

*Valerie M Bren*

Notary Public  
State: ND County: Burleigh  
My Commission Expires:

(Notary Seal)

