

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of
Leo Elroy Sjolseth

) CEASE AND DESIST ORDER
) AND NOTICE OF OPPORTUNITY
) FOR HEARING

THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO:

LEO ELROY SJOLSETH
P. O. BOX 1944
BISMARCK ND 58502-1944

1. It appears to the Securities Commissioner that Leo Elroy Sjolseth ("Respondent"), has engaged, is engaging, or is about to engage in certain 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 further appears to the Securities Commissioner that it is necessary or appropriate in the public interest or for the protection of investors to restrain these acts, practices, or transactions.

2. The Respondent has offered for sale, solicited an order or offer to buy, or sold in North Dakota securities in the form of investment contracts.

3. The subject securities have not been registered with the Securities Commissioner under Section 10-04-04, N.D.C.C.; are not exempt securities under Section 10-04-05, N.D.C.C.; and have not been offered for sale or sold in exempt transactions under Section 10-04-06, N.D.C.C.

4. The Respondent has not registered as a dealer or salesman under Section 10-04-10, N.D.C.C.

NOW, THEREFORE, IT IS ORDERED, pursuant to Section 10-04-16, N.D.C.C., that Leo Elroy Sjolseth immediately cease and desist:

- A. From offering for sale or selling in or from North Dakota the subject securities, or any other security however denominated of any issuer, unless and until such securities have been registered with the Securities Commissioner; provided, however, that nothing in this part of the order shall apply to exempt securities under Section 10-04-05, N.D.C.C., or to exempt transactions under Section 10-04-06, N.D.C.C.
- B. From offering for sale or selling in or from North Dakota the subject securities, or any other security however denominated of any issuer, unless and until he has been registered as a dealer or salesman with the Securities Commissioner; provided, however, that nothing in this part of the order shall apply to exempt transactions under Section 10-04-06, N.D.C.C.

YOU ARE NOTIFIED that the above-cited violations, if proven, are sufficient grounds for the imposition of a civil penalty, pursuant to Section 10-04-16, N.D.C.C.

YOU ARE ALSO NOTIFIED that any person aggrieved by this order may request a hearing before the Securities Commissioner if such a request is made within ten days after receipt of this order.

IN TESTIMONY WHEREOF, witness my hand and seal this 27th day of May, 1992.

(SEAL)

Glenn Pomeroy
GLENN POMEROY
SECURITIES COMMISSIONER