

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of National Forex Corp.;)
Dennis Drake; and their Officers,)
Directors, Agents, and Employees,)
)
Respondents.)

**CEASE AND DESIST ORDER,
NOTICE OF CIVIL PENALTY, AND
NOTICE OF RIGHT TO
REQUEST A HEARING**

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**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO
NATIONAL FOREX CORP. AND DENNIS DRAKE:**

The North Dakota 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 51-23 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 foreign currency options or futures contracts to at least one resident of North Dakota. Foreign currency options and futures contracts are commodities contracts as defined in N.D.C.C. § 51-23-02(5).
2. In connection with the offer and/or sale of the foreign currency options or futures contracts, Respondents engaged in a scheme or artifice to defraud a North Dakota resident and/or misappropriated the funds of a North Dakota resident. This activity constitutes fraudulent conduct in violation of N.D.C.C. § 51-23-07.

NOW, THEREFORE, IT IS ORDERED, pursuant to N.D.C.C. § 51-23-12, that the Respondents shall immediately **CEASE AND DESIST** from engaging in a scheme or artifice to defraud investors, or from engaging in any fraudulent or deceptive practices in connection with the offer and/or sale of any commodities contracts in this state.

YOU ARE NOTIFIED that any willful violation of this order is a Class B Felony pursuant to N.D.C.C. § 51-23-14(1). Pursuant to N.D.C.C. § 12.1-32-01(3), a Class B Felony is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person. Pursuant to N.D.C.C. § 12.1-32-01.1(2), a Class B Felony is punishable by a \$35,000 fine with respect to an organization.

YOU ARE FURTHER NOTIFIED that, pursuant to N.D.C.C. § 12.1-09-03, a person is guilty of a criminal offense if he intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

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. § 51-23-12(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,

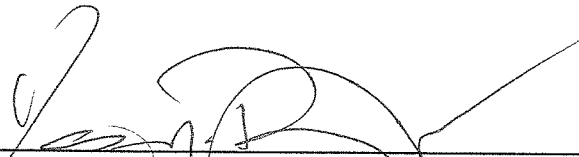
regarding the violations outlined above, any other violations subsequently discovered, or any future commodities violations or violations of this order.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to N.D.C.C § 51-23-20 you may request a hearing before the Securities Commissioner if such a request is made in writing WITHIN THIRTY (30) BUSINESS DAYS AFTER THE RECEIPT OF THIS ORDER. You have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 1st day of May, 2006.





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

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In the Matter of National Forex,)
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Agents, and Employees,)
Respondents.)

**AFFIDAVIT OF SERVICE
BY MAIL**

.....
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 this 1st day of May, 2006, I 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 each of the following documents:

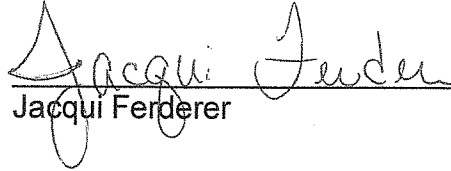
**CEASE AND DESIST ORDER, NOTICE OF CIVIL PENALTY,
AND NOTICE OF RIGHT TO REQUEST A HEARING**

A copy of the above document was securely enclosed in an envelope with postage duly prepaid, sent via certified mail, return receipt requested, addressed to each of the following:

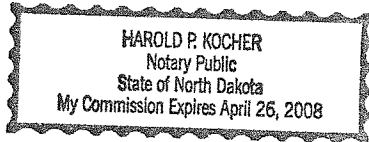
National Forex
3343 Peachtree, Suite 330
Atlanta, GA 30326


Dennis Drake
National Forex
3343 Peachtree, Suite 330
Atlanta, GA 30326

To the best of my knowledge, information, and belief, the address given above is the actual mailing address for the party intended to be served or of the attorney representing that party.


Jacquie Ferderer

Subscribed and sworn to before me this 1st day of May, 2006.




Harold P. Kocher, Notary Public
Burleigh County, North Dakota
My commission expires 4/26/2008