

**STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH**

**BEFORE THE
SECURITIES COMMISSIONER**

In the Matter of)
New World International, "a citizen's)
group", Charles E. Thompson,)
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 NEW
WORLD INTERNATIONAL, "A CITIZEN'S GROUP", CHARLES E. THOMPSON, AND
THEIR OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES:**

The 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 10-04 of the North Dakota Century Code (N.D.C.C.).

The Securities Commissioner has determined that 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 sold investments in prime bank instruments to residents of North Dakota in violation of §10-04-04 N.D.C.C. The subject investments are investment contracts, which are securities as defined in §10-04-02(13) N.D.C.C.
2. The subject investments have not been registered with the Securities Commissioner under §10-04-07; §10-04-07.1; §10-04-08; or §10-04-08.1 N.D.C.C.; are not exempt securities under §10-04-05 N.D.C.C; and have not been offered for sale or sold in exempt transactions under §10-04-06 N.D.C.C.
3. The Respondents have not registered as dealers in violation of §10-04-10(1) N.D.C.C.
4. The Respondents have not registered any salesman in violation of §10-04-10(2) N.D.C.C.

5. The Respondents have engaged in "a scheme or artifice to defraud" in the offer and/or sale of these securities to North Dakota residents.
6. The Respondents have provided false and misleading information in the offer and/or sale of these securities to North Dakota residents.

NOW, THEREFORE, IT IS ORDERED, pursuant to §10-04-16 N.D.C.C., that the Respondents immediately shall **CEASE AND DESIST**:

1. From offering for sale or selling in North Dakota the subject investment, or any other investment interest however denominated, unless and until such investment interests have been registered with the Securities Commissioner.
2. From offering for sale or selling investments in North Dakota unless and until they have registered with the Securities Commissioner as dealers or salesmen.
3. From engaging in any scheme or artifice to defraud investors, or otherwise engaging in a fraudulent or deceptive act while offering for sale or selling securities or investments in North Dakota or to North Dakota residents.

This order does not prohibit the offer or sale of securities through exempt securities transactions under §10-04-06 N.D.C.C., nor does it prohibit registered dealers and sales agents from offering or selling exempt securities under §10-04-05 N.D.C.C.

YOU ARE NOTIFIED that any willful violation of this order is a **Class B Felony** pursuant to §10-04-18(1) N.D.C.C. Pursuant to §12.1-32-01 N.D.C.C., a **Class B Felony** is punishable by a \$10,000 fine and 10 years' imprisonment.

NOTICE OF CIVIL PENALTIES

YOU ARE NOTIFIED that the above-cited violations are sufficient grounds for the imposition of civil penalties pursuant to §10-04-16(1) N.D.C.C.

The Securities Commissioner hereby assesses **\$20,000** in civil penalties against the respondents, jointly and severally.

Further, the Securities Commissioner expressly reserves the authority to assess additional civil penalties, not to exceed \$10,000 per violation, regarding the violations outlined above, any other violations subsequently discovered, or any future securities violations or violations of this order.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §10-04-12 N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER. The respondent has the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 20th day of January, 1999.



Syver Vinje

Syver Vinje
North Dakota Securities Commissioner
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