

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Preferred Trust )  
and Management, LTD. and )  
Gary L. Bryans, )  
Respondents, )

**CONSENT ORDER**

.....

The North Dakota Securities Commissioner has a determined, and the Respondent, Gary Bryans, admits as follows:

1. On April 10, 2001, the North Dakota Securities Commissioner issued a Cease and Desist Order in the above captioned matter based on the allegation that Gary Bryans solicited certain persons to invest in Preferred Trust and Management. Specific information regarding this matter is contained in the Affidavit of Gary Bryans, attached hereto and incorporated herein by reference.
2. Any solicitations would have been made in violation of section 10-04-04 N.D.C.C. because the Preferred Trust and Management program was not registered as a security in North Dakota, nor does the program qualify for any exemption from the securities registration provisions of the Securities Act.
3. Any solicitations would have been made in violation of section 10-04-10 N.D.C.C. because Gary Bryans was not registered as an agent in North Dakota, nor did the transaction constitute an exempt transaction under the Securities Act.
4. Any solicitation made would have been in violation of section 10-04-15 N.D.C.C. because the program, as a whole, is a scheme or artifice to defraud investors or potential investors. Mr. Bryans, however, has indicated that he did not believe at the time that the program was a scheme or artifice to defraud investors.

5. Pursuant to section 10-04-15 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, in her discretion, 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 \$10,000.00 for each violation.

6. 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, Gary Bryans, has admitted the factual and legal conclusions contained in this Order, and enters into this Order willingly. Respondent, Gary Bryans, acknowledges his right to a hearing regarding this matter to present arguments before the Commissioner, and has waived all rights to a hearing regarding this matter.

8. The following order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent, Gary Bryans, shall pay to the Securities Commissioner, pursuant to section 10-04-16 N.D.C.C., a civil penalty in the amount of \$1,500.00.

2. Respondent, Gary Bryans, shall pay to the Securities Commissioner's Securities Protection Fund all funds, which have been or will be received in profits, commissions or other payments from soliciting persons to participate in the program. Any additional funds received shall, within ten (10) days of their receipt by Gary Bryans shall be paid to the Securities Protection Fund.

3. Respondent, Gary Bryans, shall agree to cooperate with any investigation by the Securities Commissioner or any law enforcement agency, regardless of jurisdiction, and

shall willingly and openly testify in any proceeding, be it administrative, civil or criminal in nature, in a truthful matter not inconsistent with the Affidavit submitted herewith (Attachment A).

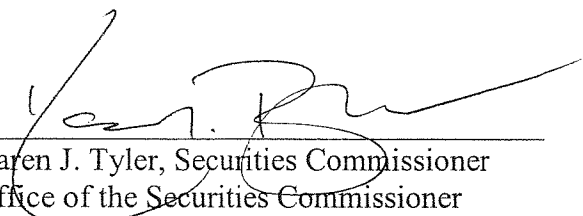
4. Respondent, Gary Bryans, shall and does herein acknowledge liability, pursuant to section 10-04-17 N.D.C.C., to each of the personal he allegedly solicited. Respondent, Gary Bryans, shall not contest any civil claim of liability to any of those persons based on any denial of the applicability of that statute, or that the facts of this case do not give rise to a claim under that statute.

5. The Cease and Desist Order, as issued on April 10, 2001, shall remain in effect, and any violations of that Order can be pursued without any regard to this Consent Order.

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

IN TESTIMONY WHEREOF, witness my hand and seal this 21<sup>st</sup> day of August, 2003.



  
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Karen J. Tyler, Securities Commissioner  
Office of the Securities Commissioner  
600 East Boulevard Avenue  
State Capitol – Fifth Floor  
Bismarck, ND 58505-0510  
(701) 328-2910

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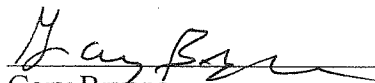
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**CONSENT TO ENTRY OF ORDER**


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The undersigned Respondent, Gary Bryans, states that he has read the foregoing Consent Order, and that he knows and fully understands its contents and effects. Gary Bryans further acknowledges that he has waived his right to a hearing with respect to this matter; and that he consents to the entry of the Consent Order by the Securities Commissioner, and expressly admits the findings of fact and conclusions of law contained therein. 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 21st day of August, 2003.

  
\_\_\_\_\_  
Gary Bryans  
3119 7<sup>th</sup> Street SW  
Minot, ND 58701

Dated this 21st day of August, 2003.

  
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Notary Public  
State of North Dakota  
My commission expires:

