

**STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH**

**BEFORE THE  
SECURITIES COMMISSIONER**

In the Matter of	)	
Red River Dispatch, Inc.;	)	<b>CEASE AND DESIST ORDER,</b>
Billy Johnson; and their	)	<b>NOTICE OF CIVIL PENALTY,</b>
Officers, Directors, Agents,	)	<b>AND NOTICE OF RIGHT TO</b>
and Employees,	)	<b>REQUEST A HEARING</b>
Respondents.	)	

.....

**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO RED RIVER DISPATCH, INC.; BILLY JOHNSON; 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.). 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 Red River Dispatch, Inc., which are securities as defined in §10-04-02(13) N.D.C.C., to residents of North Dakota.
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. Therefore, the offers and/or sales discussed above were made in violation of §10-04-04 N.D.C.C.
3. The Respondents have failed to register as dealers in violation of §10-04-10(1) N.D.C.C.
4. The Respondents have failed to register any salesman in violation of §10-04-10(2) N.D.C.C.

**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.

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.

#### 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 does not order a civil penalty herein but expressly reserves the authority to assess civil penalties 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 15<sup>th</sup> day of March, 1999.



*Syver Vinje*

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

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**AFFIDAVIT OF SERVICE BY MAIL**

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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, March 1, 1999, 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 the following document:

**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, and addressed to:

Allen J. Sheppard  
921 South 2<sup>nd</sup> Ave.  
Fargo, ND 58103

To the best of my knowledge, information, and belief, the addresses given above is the actual address of the attorney of the party intended to be served.

  
\_\_\_\_\_  
Jacqui Ferderer

Subscribed and sworn to before me on March 1, 1999.

  
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Diane Kambeitz, Notary Public  
Burleigh County, North Dakota  
My commission expires 03/10/2000