

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Ross Owen Haugen,)
)
 Respondent)

Registration Agreement

.....
On August 5, 2002, the Securities Commissioner received the application for the registration of Ross Owen Haugen (CRD # 1286021) as an agent of CGF Securities, LLC in North Dakota. The Commissioner has reviewed the application and has reason to believe as follows:

1. Respondent is a resident of North Dakota and has been a registered agent in North Dakota with several dealers since 1984.
2. Respondent is the subject of multiple customer complaints alleging that Respondent made unsuitable recommendations to clients, often relating to private securities offerings, and other violations of the NASD rules and the North Dakota Securities Act.
3. Respondent's employment with a previous dealer, Merrill Lynch Pierce Fenner & Smith, Inc., has been terminated due to the firm's allegation that Respondent engaged in selling away, which is a practice prohibited by the firm and applicable industry standards.

The information summarized above constitutes sufficient grounds for the Commissioner to determine that Respondent, Ross Owen Haugen, is not of good business reputation, as that term is used in section 10-04-10 of the North Dakota Century Code. Such a finding would be sufficient grounds for the Commissioner to deny the pending application of the Respondent. Without

making that finding, however, the Commissioner and the Respondent enter into this Consent Agreement to resolve the issue of the current registration application before the Commissioner.

Based on the foregoing, the Commissioner and the Respondent do hereby agree as follows:

1. Respondent shall provide to the Commissioner, via first-class US Mail or a private mail carrier, a copy of any customer complaint or regulatory inquiry, as well as any and all correspondence relating thereto, that in any way involves or relates to Ross Owen Haugen. This request is not limited to complaints involving North Dakota investors and/or offers originating from North Dakota, but includes complaints or regulatory inquiries relating to any investment-related activities of Mr. Haugen. All complaints or other documents required to be provided under this provision of the agreement must be provided within thirty days of the Respondents' receipt of each such document. This provision does not relate to Customer Complaints or other documents received by Mr. Haugen more than thirty days prior to the execution of this agreement, but it does relate to any documents and information, including updated information, received by Mr. Haugen after that time.
2. Respondent shall provide to the Commissioner, via first-class US Mail or a private mail carrier, a copy of each subscription agreement or other document relating to the purchase of any private placement, by any client of Mr. Haugen, with or without his recommendation, if Mr. Haugen

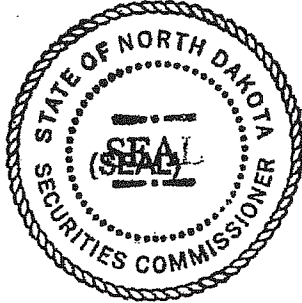
receives or is eligible to receive any compensation for the transaction or for the client's ownership of the security. All subscription agreements or other documents required to be provided under this provision of the agreement must be provided to the Commissioner within thirty days of the Respondents' receipt of each such document.


3. The information summarized on the first page of this agreement will not be used by the Commissioner to deny the pending agent application of Ross Owen Haugen, and the Commissioner will approve the pending application of Ross Owen Haugen as an agent for CGF Securities, LLC. This provision does not preclude the Commissioner from using any information, including the information referenced in this agreement, in any subsequent action or proceeding, including an action to suspend or revoke a registration of the respondent or to deny a future application of the respondent.

4. This registration agreement may not be altered or changed except through a written agreement between the Respondent and the Commissioner.

It is further hereby agreed that if the Respondent, Ross Owen Haugen, violates this agreement or fails to comply with the terms of this agreement, such violation or failure shall be sufficient grounds for the Commissioner to revoke the registration of the Respondent that may be obtained in connection with this agreement.

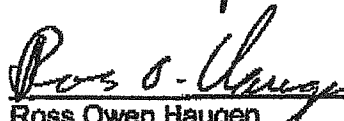
Signed and Sealed this 21st day of August, 2002.






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

Signed and agreed to this 21 day of August, 2002.



Ross Owen Haugen
87 Shady Ridge Court
Grand Forks, ND 58201

Subscribed and Sworn before me this 21 day of August, 2002.



Notary Public
State: North Dakota County: Grand Forks
My Commission Expires: 8/20/05

(Notary Seal)

