

**STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH**

**BEFORE THE  
SECURITIES COMMISSIONER**

In the Matter of Valley Honey Company, )  
LLC; Rodney Kirschman; Rodney )  
Anderson; and their Officers, )  
Directors, Agents and Employees; )  
Respondents. )

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

**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO  
VALLEY HONEY COMPANY, LLC; RODNEY KIRSCHMAN; RODNEY ANDERSON;  
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/or sold investment(s) in the form of notes issued by Valley Honey Company, LLC to residents of North Dakota. The subject investment(s) are securities as defined in §10-04-02(15) N.D.C.C.
2. None of the subject securities were registered as securities, nor were these securities exempt securities or sold through exempt transactions. As such, each offer or sale was made in violation of section 10-04-04 N.D.C.C.
3. None of the respondents were registered as a dealer or an agent. As such, each offer or sale was made in violation of N.D.C.C. §10-04-10.
4. Respondent, Rodney Kirschman, engaged in the acts described above in violation of a Cease and Desist Order issued on or around November 29, 1999.

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

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

**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 N.D.C.C. §10-04-16(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 securities violations or violations of this order.

**NOTICE OF RIGHT TO REQUEST HEARING**

**YOU ARE NOTIFIED** that pursuant to N.D.C.C. §10-04-12 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 Respondents have the right to be represented by legal counsel at the hearing.

**IN TESTIMONY WHEREOF**, witness my hand and seal this 31<sup>st</sup> day of July, 2001.



A handwritten signature in black ink, appearing to read "Syver Vinje", written over a horizontal line.

Syver Vinje, Securities Commissioner  
Office of the 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**

.....  
I, Diane Lillis, 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, August 1, 2001, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, true and correct copies 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 prepaid, sent via Certified U. S. mail, return receipt requested, and addressed to each of the following:

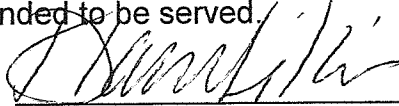
Rodney Kirschman  
Valley Honey Company, LLC  
P. O. Box 832  
Aberdeen, ID 83210

Rodney Anderson  
Valley Honey Company, LLC  
P. O. Box 832  
Aberdeen, ID 83210

Craig A. Boeckel  
Tschider & Boeckel  
P. O. Box 668  
Bismarck, ND 58502-0668

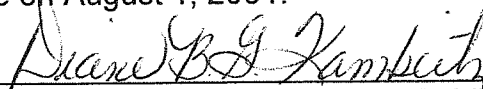
James J. Coles  
Coles Law Firm  
P. O. Box 2162  
Bismarck, ND 58502-0668

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



\_\_\_\_\_  
Diane Lillis

Subscribed and sworn to before me on August 1, 2001.



\_\_\_\_\_  
Diane B. G. Kambeitz, Notary Public  
Burleigh County, North Dakota  
My commission expires 3/25/2006

