



**NEWS RELEASE** | **FOR IMMEDIATE RELEASE** | February 10, 2023

## **Securities Commissioner Issues Final Order in Fee-For-Funding Fraud**

**Bismarck ND** – The North Dakota Securities Department today announced Securities Commissioner Karen Tyler has issued a final order against Bio-Sunn Technologies Inc. (Bio-Sunn), Lewis Bauer, Equity Fund International (EFI), and Christopher Williams, ordering the respondents to cease and desist from selling unregistered securities, acting as unregistered broker-dealers and agents, and engaging in fraudulent or deceptive practices in the offer and sale of securities.

Commissioner Tyler also ordered the respondents to repay investors the full amount they invested plus interest, and ordered civil penalties totaling \$1,080,000, which may be used for investor restitution.

Bio-Sunn is a North Dakota corporation operated and controlled by Bauer, its Chief Executive Officer and a North Dakota resident. EFI is a Georgia corporation operated and controlled by Christopher Williams, its President and Chief Executive Officer and a Stone Mountain, Georgia resident.

The Commissioner's order follows a November 1, 2022 administrative hearing and incorporates the findings and conclusions of the decision issued by Administrative Law Judge Hogan on January 11, 2023, who ruled in favor of the Securities Department.

From February 28, 2020 to March 16, 2020 Bauer and Bio-Sunn raised money from investors through the sale of unregistered securities. The investor funds were then used to pay EFI and Williams an up-front fee of over \$1 million to obtain a represented \$250 million financing package to construct a hemp manufacturing facility in Wisconsin. In formulaic fee-for-funding scam fashion, the financing never materialized, and EFI and Williams have not returned investor funds, contrary to their commitment to do so in a joint venture agreement with Bio-Sunn and Bauer.

"The Securities Department has seen an increase in fee-for-funding scam cases in recent years" said Commissioner Tyler. "Investors and businesses who are considering participating in this

type of non-conventional financing should check the registration and licensing credentials of all parties involved.”

Registration information on individuals and investment firms can be obtained by contacting the North Dakota Securities Department. Licensing information on financial institutions and non-depository lenders can be obtained by contacting the North Dakota Department of Financial Institutions.

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**For More Information Contact:**

North Dakota Securities Department  
Carl Karpinski, *Enforcement Attorney* | 701-328-4881  
[cmkarpinski@nd.gov](mailto:cmkarpinski@nd.gov)

North Dakota Department of Financial Institutions  
<https://www.nd.gov/dfi/> | [dfi@nd.gov](mailto:dfi@nd.gov) | 701-328-9933

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**Doug Burgum, *Governor***

**Karen Tyler, *Securities Commissioner***

State Capitol | 600 E. Boulevard Ave., 14<sup>th</sup> Floor | Bismarck, ND 58505  
PHONE: (701) 328-2910 | E-MAIL: [ndsecurities@nd.gov](mailto:ndsecurities@nd.gov) | WEBSITE: [www.securities.nd.gov](http://www.securities.nd.gov)