


by respondents was in violation of 6 Del. C. §7304 and §7308(2).

2. Preliminary investigation indicates that disclosure documents provided to investors were not in compliance with the requirements of the Delaware Securities Act. Moreover, such documents were materially incomplete and misleading in violation of 6 Del. C. §7303(2), §7308(a)(1) and §7308(a)(2).
3. Preliminary investigation indicates that the offering has worked or tended to work a fraud upon purchasers in violation of 6 Del. C. §7303(3) and §7308(a)(5). The Delaware investors were not fully informed of the risks inherent in these notes and were misled as to the safety of their investments.

The above-stated allegations are sufficient for me to find that the summary issuance of this stop order is in the public interest, and I so find.

Any violation of this order by any respondent or by any of their employees, agents or confederates will be treated as a knowing and willful violation of the Delaware Securities Act for purposes of civil or criminal liability.

Respondents have the right to a hearing on these issues within 15 days of the date of this order upon filing in the Commissioner's office a written request for a hearing.


Richard W. Hubbard
Securities Commissioner

Date: May 4, 1990

