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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, Department)	
of Finance, Securities Bureau,)	
)	Docket No. 1997-7-113
Complainant,)	
)	CEASE AND DESIST ORDER
vs.)	
)	
VINCENT KIRSCH,)	
)	
Respondent.)	
_____)	

Whereas the Director of the Department of Finance, pursuant to the authority of the Idaho Securities Act, Idaho Code §30-1401, *et seq.*, has reasonable grounds to believe that:

1. Over a three month period, from May, 1997 through July, 1997, Respondent has received \$70,000 from an Idaho resident (“resident”). Respondent and resident agreed that the money was to be invested by Respondent for the benefit of resident. The money was placed in an account at Prudential Securities under the name of Vincent Kirsch.

2. In his dealings with resident, Respondent transacted business as an “investment adviser,” as defined in Idaho Code §30-1402(6), or as a “broker-dealer,” as defined in Idaho Code §30-1402(3).

3. Respondent has never been registered as an “investment adviser” or a “broker-dealer” with the Idaho Department of Finance as required pursuant to Idaho Code §30-1406.

4. Respondent has violated Idaho Code §30-1406.

5. Respondent represented to resident that the invested funds could be redeemed at any time. When resident requested a return of a portion of the money, it was never received. Respondent represented to resident that the account should be solely in Respondent’s name to facilitate the timely trading of securities in the account, resulting in greater potential profitability. When resident requested that his name also be placed on the account, Respondent assured resident that his name would be placed on the account. The money was never placed in a securities account with the resident’s name on it.

6. Respondent made an untrue statement of material fact, in violation of Idaho Code §30-1403, by representing to resident that the invested funds could be redeemed at any time.

7. Respondent made an untrue statement of material fact, in violation of Idaho Code §30-1403, by representing to resident that the account should be solely in Respondent’s name to facilitate the timely trading of securities in the account, resulting in greater potential profitability.

8. Respondent made an untrue statement of material fact, in violation of Idaho Code §30-1403, by representing to resident that his name would be placed on the account.

9. Respondent has violated Idaho Code §30-1403.

10. This Cease and Desist Order is necessary and appropriate and in the public interest and for the public protection.

THEREFORE, PURSUANT TO IDAHO CODE §30-1442(2), IT IS HEREBY ORDERED THAT RESPONDENT IMMEDIATELY CEASE AND DESIST FROM:

A. Transacting business as an investment adviser or a broker-dealer in the State of Idaho until such time as Respondent has registered as an investment adviser or a broker-dealer with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code;

B. Employing any device, scheme or artifice to defraud; making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the offer, sale or purchase of any security, directly or indirectly.

IT IS FURTHER ORDERED, PURSUANT TO IDAHO CODE §30-1442(2)(e), THAT ANY ASSETS IN ACCOUNT #ATY-213563 AT PRUDENTIAL SECURITIES, BE FROZEN UNTIL FURTHER ORDER OF THE DIRECTOR OF THE IDAHO DEPARTMENT OF FINANCE OR ORDER OF ANY COURT OF COMPETENT JURISDICTION.

IT IS FURTHER ORDERED, PURSUANT TO IDAHO CODE §30-1442(2)(a), THAT RESPONDENT DIRECT PRUDENTIAL SECURITIES TO

LIQUIDATE AND PAY TO RESIDENT THE ASSETS CONTAINED IN ACCOUNT #ATY-213563, WHICH IS CONSIDERATION WHICH WAS ACQUIRED OR TRANSFERRED IN VIOLATION OF TITLE 30, CHAPTER 14, IDAHO CODE.

11. YOU ARE NOTIFIED that this Cease and Desist Order is a final order of the Department of Finance. However, you may file a motion for reconsideration of this Cease and Desist Order or a request for hearing within fourteen (14) days of the service of this order. Any such motion for reconsideration or request for hearing must be in writing, addressed to:

Marilyn T. Scanlan
Securities Bureau Chief
Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

12. If a motion for reconsideration or request for hearing is timely filed, you will be notified of the date, time and place of the hearing, as well as the name of the presiding officer. At the hearing you will be entitled to enter an appearance, introduce evidence, examine and cross-examine witnesses, make arguments and generally participate in the conduct of the proceedings. If you so desire, you may also be represented by legal counsel at your own expense.

13. Any hearing and subsequent proceedings will be in accordance with the provisions of the Idaho Administrative Procedures Act (Chapter 52, Title 67, Idaho Code).

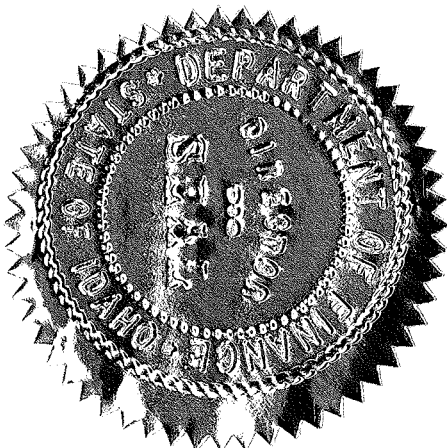
14. Pursuant to Idaho Code §§67-5270 and 67-5272, any party aggrieved by this final order may appeal this final order to district court by filing a petition in the Idaho district court of the county in which:

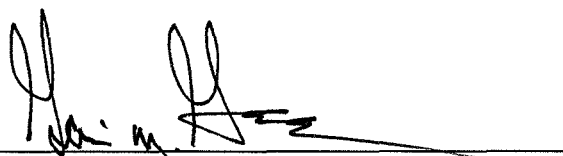
- a. A hearing was held;
- b. The final agency action was taken;
- c. The party seeking review of the order resides; or
- d. The real property or personal property that was the subject of the agency action is located.

15. An appeal must be filed within twenty-eight (28) days (a) of the service date of this final order, (b) of an order denying a petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code §67-5273. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

IT IS SO ORDERED.

DATED this 18th day of September, 1997.




GAVIN M. GEE
Director
Department of Finance