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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,)
)
Complainant,)
)
vs.)
)
JAY DEE HARRIS, ACQUIRE)
VENTURE CAPITAL GROUP,)
ACQUIRE VENTURE FUND GROUP,)
and ACQUIRE INVESTMENT GROUP,)
)
Respondents.)
_____)

Docket No. 1997-7-58

CEASE AND DESIST ORDER

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. Respondent Jay Dee Harris has offered investment interests in an offshore debenture trading program to operate through Respondents Acquire Venture Capital Group, Acquire Venture Fund Group, and/or Acquire Investment Group, to residents of the State of Idaho.

2. The debenture trading program is a security as defined in Idaho Code §30-1402(12).

3. The securities offered and sold by Respondents have not been registered with the Idaho Department of Finance as required pursuant to Idaho Code §30-1416.

4. Respondents have violated Idaho Code §30-1416.

5. Respondents and their agents are not registered to offer or sell securities in Idaho as required under Idaho Code §30-1406.

6. Respondents have violated Idaho Code §30-1406.

7. In connection with the offer or sale of securities, Respondents have omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. The omissions of material fact include, but are not limited to, the following:

a. Failing to disclose the investment history and results of Acquire Venture Capital Group, the debenture trading management group.

b. Failing to disclose specific information regarding commissions or other remuneration that would be paid to "corresponding" offices and agents for soliciting the investments.

c. Failing to identify the management and ownership of Acquire Venture Fund Group, Acquire Venture Capital Group and the Acquire Investment Group.

d. Failing to disclose the risks associated with investing in an international debenture trading program.

e. Failing to disclose the identity of the trader that will handle the debenture trading.

f. Failing to disclose that the securities were not registered with the Idaho Department of Finance as required under Idaho Code §30-1416.

g. Failing to disclose that the Respondents were not registered with the Idaho

Department of Finance as required under Idaho Code §30-1406.

8. Respondents have violated Idaho Code §30-1403(2).

9. In connection with the offer or sale of securities, Respondents have engaged in acts, practices or courses of business that operate as a fraud or deceit. These acts and practices include, but are not limited to, the following:

a. Requiring offerees to sign "non-circumvention/non-disclosure/confidentiality" agreements as a condition to receiving written offering materials. The agreements prohibit the offeree from contacting any of the "trading group's" banks, bank officers, or other account holders, unless previously authorized by the group manager, and threatens "prosecution" by the group manager if the agreement is violated. The agreement thus limits an investor's ability to research and confirm the viability of the investment and the claimed investment returns.

b. The pattern of omissions referred to in Paragraph 7, above.

10. Respondents have violated Idaho Code §30-1403(3).

11. 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 RESPONDENTS, THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND SUCCESSORS IMMEDIATELY CEASE AND DESIST FROM:

A. Selling or offering for sale nonexempt securities in any form, and in particular investment interests in an offshore debenture trading program to operate through Respondents, in the State of Idaho until such time as the securities have been registered with the Idaho Department of Finance in accordance with Title 30, Chapter 14, Idaho Code;

B. Selling or offering for sale nonexempt securities in any form in the State of Idaho until such time as Respondents have registered as broker-dealers or salesmen for a broker-dealer or issuer with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code;

C. While engaged in or in connection with the offer, or sale, of any security in the State of Idaho:

- (1) Employing any device, scheme or artifice to defraud any purchasers of securities in Idaho;
- (2) Making any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading;
- (3) Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

D. Aiding, abetting, counseling, inducing or causing any person to engage in any of the types of conduct described in paragraphs A, B, or C, above.

E. Respondents are prohibited from claiming the availability of, using, or offering or selling securities under, any exemption under the Idaho Securities Act without receiving the prior written consent of the Director.

IT IS FURTHER ORDERED, PURSUANT TO IDAHO CODE §30-1442(2)(a), THAT RESPONDENTS RESTORE TO ANY IDAHO RESIDENT ANY CONSIDERATION WHICH WAS ACQUIRED IN CONNECTION WITH THE OFFER AND SALE OF THESE SECURITIES.

IT IS FURTHER ORDERED, PURSUANT TO IDAHO CODE §20-1442(2)(b), THAT A CIVIL PENALTY IN THE AMOUNT OF TEN THOUSAND DOLLARS (\$10,000) IS HEREBY IMPOSED ON RESPONDENTS.

10. 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

A copy of the motion or request for hearing must also be sent to the Department's counsel, at the address listed on the front of this Cease and Desist Order.

11. 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.

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


13. 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.

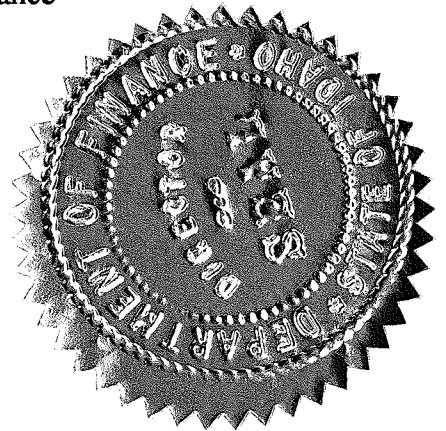
14. An appeal must be filed within twenty-eight (28) days (a) of the service date of this final order, (b) of an order denying a petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code §67-5273. The filing 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 August, 1997.



GAVIN M. GEE
Director
Department of Finance



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STATE OF IDAHO

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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. 1997-7-58
Complainant,)	
)	ORDER OF DENIAL OF MOTION
vs.)	FOR RECONSIDERATION AND
)	AND REQUEST FOR HEARING
JAY DEE HARRIS, ACQUIRE)	
VENTURE CAPITAL GROUP,)	
ACQUIRE VENTURE FUND GROUP,)	
and ACQUIRE INVESTMENT GROUP,)	
)	
Respondents.)	
_____)	

WHEREAS, the Director of the Department of Finance entered a Cease and Desist Order dated August 18, 1997 against the above named respondents.

WHEREAS, the Cease and Desist Order was served upon the respondents on the / 5th day of September, 1997, by mailing a copy thereof, properly addressed, certified mail with return receipt requested, with postage prepaid to: Jay D. Harris, 3575 S. 3200 Apt 15C, Salt Lake City, UT 84119-3591 and Acquire Venture Fund Group, PO Box 305.

Orem, UT 84059. Attached hereto as "Exhibit A" is a true and correct copy of the Proof of Service.

WHEREAS, pursuant to Idaho Code §67-5246(6) and IDAPA 04.11.055, service is deemed sufficient and complete when a copy of the order , properly addressed and stamped, is deposited in the United States mail.

WHEREAS, contrary to respondents' assertion in the Motion for Reconsideration and Request for Hearing of Cease and Desist Order, Jay D. Harris received the Cease and Desist Order by certified mail on September 9, 1997 and Acquire Venture Fund Group received the Cease and Desist Order by certified mail on September 17, 1997. Attached hereto as "Exhibit B" are a true and correct copy of the return receipts.

WHEREAS, pursuant to Idaho Code §67-5246(4)&(5), a motion for reconsideration must be filed within fourteen (14) days of the issuance of the Cease and Desist Order, or the Order becomes effective.

WHEREAS, Respondents' Motion for Reconsideration and Request for Hearing of Cease and Desist Order was faxed to the Department of Finance on October 6, 1997.

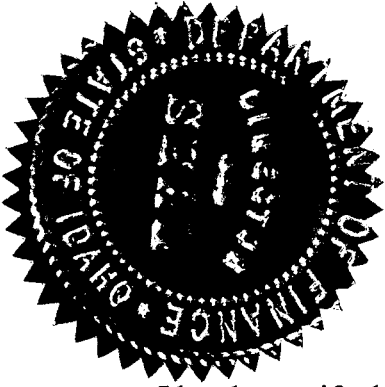
WHEREAS, the Motion for Reconsideration and Request for Hearing of Cease and Desist Order is untimely.

NOW, THEREFORE, IT IS HEREBY ORDERED that Respondents' Motion for Reconsideration and Request for Hearing of Cease and Desist Order is denied.

IT IS FURTHER ORDERED that the Cease and Desist Order is effective.

IT IS SO ORDERED.

DATED this 14TH day of October, 1997.



A handwritten signature in black ink, appearing to read "Gavin M. Gee". The signature is written in a cursive style and is positioned above a horizontal line.

GAVIN M. GEE
Director
Department of Finance

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of October, 1997, I cause to be served a true and correct copy of the foregoing ORDER OF DENIAL OF MOTION FOR RECONSIDERATION AND REQUEST FOR HEARING by U. S. Mail to the following:

E. Guyon
970 East 3300 South, #9
Salt Lake City, Utah 84106

A handwritten signature in black ink, appearing to read "Scott B. Muir". The signature is written in a cursive style and is positioned above a horizontal line.

Scott B. Muir
Deputy Attorney General