

ALAN G. LANCE
ATTORNEY GENERAL
STATE OF IDAHO

MARY E. HUGHES
Deputy Attorney General
State of Idaho
Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031
Telephone: (208) 332-8092
Facsimile: (208) 332-8098

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

STATE OF IDAHO, Department)
of Finance, Securities Bureau,)
Complainant,)
vs.)
TED LOESCHNER,)
Respondent.)
_____)

Docket No. 1998-7-67

AGREEMENT AND ORDER

The Director of the Department of Finance has instituted an investigation into the conduct of Ted Loeschner (Respondent). Pursuant to said investigation it appears to the Director that violations of the Idaho Securities Act have occurred. The Director and Respondent have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered, and Respondent consents to the entry of

the Agreement and Order.

ALLEGATIONS OF FACT

1. Respondent is an owner of Cal-Pride Ostrich Farms, Inc. (Cal-Pride). Cal-Pride, a California corporation, is in the business of acquiring, receiving and selling ostriches. Cal-Pride has formed and sold interests in partnerships (purportedly general) named Cal-Pride Ostrich Farms General Partnerships to assist with their business purpose. The partnership interests offered and sold by Cal-Pride are securities under the Idaho Securities Act in the form of investment contracts.

2. Between July and October 1996, agents of Cal-Pride, but not the Respondent, solicited Idaho residents to invest in Cal-Pride "general partnerships". The purpose of the partnerships is to acquire, raise and sell ostriches. Solicitations were made orally, through written materials, a video, and through a television "infomercial".

3. Between September 1996 and June 1997, Respondent solicited Idaho residents who had previously invested in Cal-Pride to purchase stock in a new California corporation (of which Respondent was President) that was to acquire an alfalfa farm, a slaughter house, and ostriches. Solicitations were made orally and through written materials. No sales were ever made to Idaho residents.

ALLEGATIONS OF VIOLATIONS

4. Idaho Code § 30-1406 provides that it is unlawful for any person to transact business in this state as a securities salesman unless he is registered under the Idaho Securities Act. Respondent violated Idaho Code § 30-1406.

5. Idaho Code § 30-1416 provides that it is unlawful for any person to offer to sell any security in this state unless such security is registered or is a federal covered security. Respondent violated Idaho Code § 30-1416.

REMEDIES

6. Respondent represents that, to the best of his knowledge, the information provided to the Department of Finance concerning these allegations is accurate and complete, including, but not limited to the fact that no sales of International Ostrich stock have been made to Idaho residents.

7. Respondent neither admits nor denies the allegations contained in this Agreement and Order.

8. Respondent acknowledges and agrees to comply with the Department's interpretation that in order for securities to qualify as "federal covered securities" under the Idaho Securities Act, and therefore be exempt from the registration provisions of the Act, a notice on Form D must be filed within fifteen (15) days of the first sale of such securities.

9. Respondent shall not offer or sell any nonexempt securities in any form in the State of Idaho until such time as such securities have been registered with the Department of Finance.

10. Respondent shall not transact securities business in the State of Idaho until such time as he has become registered as a salesman for a broker-dealer or issuer, with the Department of Finance or is exempt from such registration as evidenced by prior written consent of the Director.

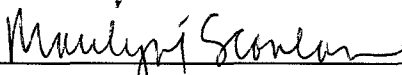
11. Respondent shall not claim the availability of, use, or offer to sell securities under, any exemption under the Idaho Securities Act without receiving the prior written consent of the Director.

12. This Agreement and Order shall serve as a final resolution of all issues presented herein as to Respondent.

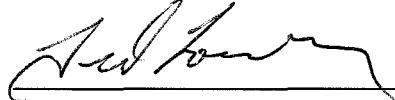
13. Respondent agrees to cooperate with the Department of Finance in further prosecution of the action State of Idaho v. Cal-Pride Ostrich Farms, Inc., Civil No. CV-97-00479*D, Minidoka

County, Idaho, against the remaining defendant, including testifying at trial.

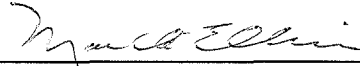
DONE AND DATED at Boise, Idaho this 28th day of ^{April}~~March~~, 1998.



Marilyn T. Scanlan
Securities Bureau Chief
Department of Finance



Ted Loeschner
Respondent



Mark A. Ellison
Moffatt, Thomas, Barrett, Rock & Fields
Counsel for Respondent

IT IS SO ORDERED this 28th day of ^{April}~~March~~, 1998.



GAVIN M. GEE
Director of Finance
State of Idaho

