

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
2 DIVISION OF FINANCE AND CORPORATE SECURITIES  
3 SECURITIES SECTION  
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
5 STATE OF OREGON

6 In the Matter of: ) O-94-0015  
7 TRENDTRAC INCORPORATED )  
8 Respondent. ) CEASE AND DESIST ORDER  
9 ORDER ASSESSING CIVIL PENALTY  
10 AND  
11 CONSENT TO ORDER

12 WHEREAS the Director of the Department of Consumer and Business Services  
13 has conducted an investigation of TRENDTRAC INCORPORATED, and has determined  
14 that TRENDTRAC INCORPORATED transacted investment adviser business while  
15 unlicensed and allowed unlicensed salespersons in the State of Oregon to  
16 transact business in violation of the Oregon Securities Law;

17 NOW THEREFORE, as evidenced by the authorized signature subscribed on this  
18 Order, TRENDTRAC INCORPORATED hereby CONSENTS to entry of this Order to Cease  
19 and Desist upon the Director's Findings of Fact and Conclusions of Law as stated  
20 hereinafter:

21 FINDINGS OF FACT

22 The Director FINDS that:

- 23 1. TRENDTRAC INCORPORATED (hereinafter "TRENDTRAC") is a California  
24 corporation, currently located at 5 Dawn Place, Mill Valley, California 94941.
- 25 2. TRENDTRAC applied to be licensed as an investment adviser with Oregon  
26 in September 1993. The application remains incomplete and no investment adviser  
license has been issued to date.
3. Between January 1989 and the present, TRENDTRAC has been in the  
business of offering advice regarding investments in securities to Oregon

ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, CONSENT TO ORDER  
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1 clients.

2 4. Between January 1989 and the present, TRENDTRAC has compensated or  
3 offered to compensate these salespersons for representing TRENDTRAC in Oregon to  
4 Oregon residents: Richard Yost, Greg Gerot, Andrew Dinger, Karl Potts, Michael  
5 Miller, Jerry Harrison and John Barbera.

6 5. TRENDTRAC did not license any of the salespersons listed in Findings  
7 of Fact 4 in Oregon.

8 6. Between January 1, 1989 and the present, TRENDTRAC was compensated for  
9 rendering investment advice to Oregon residents for accounts opened and serviced  
10 by persons listed in Findings of Fact 4.

11 **CONCLUSIONS OF LAW**

12 The Director **CONCLUDES** that:

13 1. TRENDTRAC acted as an investment adviser as defined in ORS 59.015(6)  
14 by rendering investment advice to clients and receiving compensation based on  
15 that advice.

16 2. TRENDTRAC transacted business as an investment adviser in the State of  
17 Oregon while unlicensed in violation of ORS 59.165(4) during the period of  
18 January 1989 to the present.

19 3. TRENDTRAC transacted business as an investment adviser through  
20 unlicensed salespersons in the State of Oregon in violation of ORS 59.165(3)  
21 during the period of January 1, 1989 to the present.

22 **ORDER**

23 The Director, pursuant to ORS 59.245 hereby **ORDERS** that respondent  
24 **TRENDTRAC INCORPORATED** shall **CEASE AND DESIST** from:

25 1. Transacting investment adviser business in the State of Oregon in  
26 violation of ORS 59.165.

**ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, CONSENT TO ORDER**  
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CORPORATE ACKNOWLEDGEMENT

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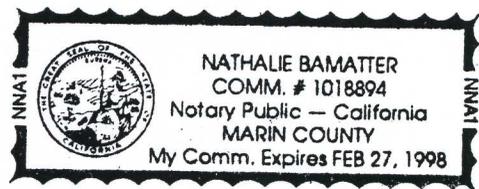
There appeared before me this 30<sup>th</sup> day of June, 1994

John T. Frierson, who was first sworn on oath, and stated that he is the Chairman of TrendTrac Incorporated and that he is authorized to sign this Consent to Entry of Order on behalf of TrendTrac Incorporated, and to bind TrendTrac Incorporated to the terms thereof.

SUBSCRIBED AND SWORN to before me this 30<sup>th</sup> day of June, 1994

Nathalie Bamatter  
NOTARY PUBLIC

State of: California



My commission expires: 2/27/98

OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
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