

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  
5 CONSUMER AND BUSINESS SERVICES  
6 STATE OF OREGON

5 In the Matter of: ) 0-96-0028  
6 )  
6 AMWAY MUTUAL FUND, INC. ) ORDER TO ASSESS CIVIL PENALTIES  
7 ) and  
7 Respondents. ) CONSENT TO ENTRY OF ORDER

8  
9 WHEREAS the Director of the Department of Consumer and  
10 Business Services for the State of Oregon (hereinafter  
11 DIRECTOR) has reviewed certain securities transactions  
12 effected in Oregon by Respondent AMWAY MUTUAL FUND, INC.  
13 (hereinafter AMWAY) and has determined that AMWAY may have  
14 sold unregistered securities in the State of Oregon in  
15 violation of the Oregon Securities Law; and

16 WHEREAS AMWAY wishes to resolve and settle this matter  
17 with the DIRECTOR;

18 NOW THEREFORE, as evidenced by the authorized  
19 signature(s) subscribed on this Order, AMWAY hereby CONSENTS  
20 to entry of this Order to Assess Civil Penalties based upon  
21 the Director's Findings of Fact and Conclusions of Law as  
22 stated hereinafter:

23 FINDINGS OF FACT

24 The Director FINDS that:

25 1. Respondent AMWAY MUTUAL FUND, INC. is an open-end,  
26 diversified management investment company commonly known as



1 a mutual fund, whose address is 7575 Fulton Street East,  
2 Ada, Michigan 49355-7150;

3 2. AMWAY MANAGEMENT COMPANY provides supervisory and  
4 management services for Respondent and is a "Registered  
5 Investment Adviser", as that term is defined under the  
6 Investment Adviser Act of 1940;

7 3. AMWAY last filed an application to renew the  
8 registration of its securities in Oregon on August 24, 1994,  
9 which registration became effective for a period of one  
10 year;

11 4. AMWAY did not file an application to renew the  
12 registration of its securities in Oregon until  
13 May 14, 1996;

14 5. During the period from August 24, 1995 through  
15 May 14, 1996 securities issued by AMWAY were neither  
16 registered for sale in Oregon nor exempt from the  
17 registration requirements in Oregon;

18 6. During the period from August 24, 1995 through  
19 May 14, 1996 Respondent sold securities in the total amount  
20 of \$9,943.00 to Oregon investors.

21 **CONCLUSIONS OF LAW**

22 **The Director CONCLUDES that:**

23 1. During the period from August 24, 1995 through  
24 May 14, 1996, AMWAY MUTUAL FUND, INC. sold non-exempt,  
25 unregistered securities in Oregon.

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ORDER

NOW THEREFORE, Respondent is ORDERED to:

1. PAY a civil penalty in the total amount of \$750.00 to the State of Oregon for the violations stated herein. This penalty shall not be paid from the assets of the mutual fund. Respondent agrees that neither Respondent, its officers or directors or the Investment Adviser shall be indemnified from assets of AMWAY MUTUAL FUND, INC. for payment of civil penalties assessed herein.

Dated this 22nd day of July, 1996 at Salem, Oregon.

KERRY BARNETT, DIRECTOR  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

CONSENT TO ENTRY OF ORDER

I, Allan D. Engel, state that I am an officer of AMWAY MUTUAL FUNDS, INC. (AMWAY), and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that AMWAY has been advised of its right to a hearing and of its right to be represented by counsel in this matter; that AMWAY voluntarily and without any force or duress, consents to the entry of this Order without further hearing, expressly waiving any right to a

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97310  
Telephone: (503) 378-4347



1 this Consent to Entry of Order on behalf of AMWAY, and to  
2 bind AMWAY to the terms hereof.

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*Diana K. King*

Notary Public for the State of Michigan

Diana K. King  
Printed Name of Notary Public

My commission expires: DIANA K. KING  
Notary Public, Kent County, Michigan  
My Commission Expires Sept. 22, 1999

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