

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
SECURITIES COMMISSIONER

In the Matter of Commonwealth Capital)
Group, Inc., Octet Communications)
Corp., and Albert Faivush)
)
Respondents.)

CONSENT ORDER

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SECURITIES COMMISSIONER
STATE OF NORTH DAKOTA

The North Dakota Securities Commissioner has advised the Respondents, Commonwealth Capital Group, Inc., Octet Communications Corp., and Albert Faivush that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, Commonwealth Capital Group, Inc. (Commonwealth) is a New York corporation that is in the business of offering and selling securities. Commonwealth is not now and has never been registered as a Broker Dealer in the State of North Dakota. Respondent, Albert Faivush (Faivush) is a natural person who is the Vice President of and is associated with Commonwealth.
2. Respondent, Octet Communications, Corp. (Octet) is a Delaware Corporation headquartered in New York that is engaged in the business of merging telecommunications and internet technologies.
3. During 1998, Respondents made at least twelve (12) offers to North Dakota residents to purchase Octet stock. On April 23, 1998, Alvis B. Amble, a North Dakota resident, subscribed for and purchased 1/2 of a unit (10,000 shares of Octet stock). Subsequent to the sale to Mr. Amble, Respondents made more offers of Octet stock to North Dakota residents. On August 7, 1998, Ronald J. Clow, a North Dakota resident, subscribed for and purchased 1/4 unit (5,000 shares of Octet stock).
4. Respondents offered and sold these securities in reliance upon SEC Rule 506. Pursuant to federal law, the Commissioner is prohibited from requiring registration for securities sold according to the provisions of SEC Rule 506, however, federal law does permit, and state law does require, that a filing be made with the Commissioner within fifteen (15) days after the first sale in this state. Respondents did not make a filing with this state as required by state law.
5. Pursuant to §10-04-16 N.D.C.C., whenever it shall appear to the Commissioner that any person has engaged in any act or practice that is declared illegal in Ch. 10-04 N.D.C.C., the Commissioner may issue any order and collect civil penalties in an amount not to exceed \$10,000 for each violation.
6. The violations described above constitute sufficient grounds for the imposition of civil penalties under Ch. 10-04 N.D.C.C.

7. Respondents waive their right to a hearing in this matter and to present arguments to the Commissioner.

8. Respondents acknowledge their right to be represented by legal counsel throughout this proceeding, and have agreed to an informal disposition of this matter, and have affirmatively waived its right to a hearing before the Commissioner on this matter.

9. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents shall not transact any securities business with any person in North Dakota unless registered as a dealer or properly exempted under Ch. 10-04 N.D.C.C.
2. Respondents shall not employ any person to represent them as a securities salesman for any securities business with any person in North Dakota unless such person is registered as a salesman or properly exempted under Ch. 10-04 N.D.C.C.
3. Respondents shall pay a civil penalty of \$5,000 to the Office of the Securities Commissioner pursuant to § 10-04-16 N.D.C.C.
4. Respondents shall, within ten (10) days of the date of this order, make an offer of rescission, pursuant to §10-04-17 N.D.C.C., to each North Dakota resident who purchased Octet stock from Respondents. Such Rescission offer, made in a form approved by the Commissioner, shall provide for the payment of the full purchase price plus 6% interest from the date of the purchase and shall allow the investor thirty (30) days to accept or reject the rescission offer. If accepted, Respondents shall make the rescission within ten (10) days from the date of the acceptance of the rescission offer.
5. This Order shall be effective upon signature of the Commissioner.

Dated at Bismarck, North Dakota, this 4th day of December, 1998.



Syver Vinje

Syver Vinje
North Dakota Securities Commissioner
State Capitol-5th Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
(701) 328-2910

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COUNTY OF BURLEIGH

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Respondents.)

CONSENT TO ENTRY
OF ORDER

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The undersigned persons, acting on behalf of the Respondents, Commonwealth Capital Group, Inc., Octet Communications Corp., and Albert Favush, state that they have read the foregoing Consent Order, and that they know and fully understands its contents and effects. The undersigned attests that they are authorized to execute this Consent to Entry of Order on behalf of the Respondents. The Undersigned further acknowledges that Respondents have waived its right to a hearing with respect to this matter; and that Respondents consent to entry of the Consent Order by the Securities Commissioner without admitting or denying the findings of fact and conclusions of law contained herein. It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

Dated this 01 day of Dec, 1998.

Commonwealth Capital Group, Inc.
27 William Street, 15th Floor
New York, NY 10005

By: ALEX STECMAK
(Type or Print Name)

Signed: [Signature]
Capacity: PRESIDENT

Subscribed and Sworn before me this 01 day of Dec, 1998

[Signature]
Notary Public

(Notary Seal)

State: NY County: NY
My Commission Expires:

ELIZABETH M. MELNIK
NOTARY PUBLIC, State of New York
No. 4827163, Suffolk County
Commission Expires, March 30, 1999 [Signature]

Dated this 01 day of Dec, 1998.

Albert Faivush
Commonwealth Capital Group, Inc.
27 William Street, 15th Floor
New York, NY 10005

By: ALBERT FAIVUSH
(Type or Print Name)

Signed: [Signature]
Capacity: _____

Subscribed and Sworn before me this 01 day of Dec, 1998

[Signature]
Notary Public
State: NY County: NY
My Commission Expires: _____

(Notary Seal)

ELIZABETH M. MELNIK
NOTARY PUBLIC, State of New York
No. 4827163, Suffolk County
Commission Expires, March 30, 1999

Dated this 01 day of Dec, 1998.

Octet Communications, Corp.
133 Fifth Avenue, Suite 803
New York, NY 10003

By: Patricia Slusky
(Type or Print Name)

Signed: [Signature]
Capacity: _____

Subscribed and Sworn before me this 01 day of Dec, 1998

[Signature]
Notary Public
State: NY County: NY
My Commission Expires: _____

(Notary Seal)

ELIZABETH M. MELNIK
NOTARY PUBLIC, State of New York
No. 4827163, Suffolk County
Commission Expires, March 30, 1999