

Respondent has continued to solicit investments from current North Dakota investors as exempt transactions under N.D.C.C. §10-04-06(4)(b).

4. At the time of the original transactions and the reinvestments, Respondent failed to disclose that Johnson was the subject of criminal charges in *United States v. Anthony John Johnson, et al.*, Case No. 07-CR-854, in the United States District Court, Eastern District of New York, awaiting sentencing for securities fraud and conspiracy. This constituted a material omission and therefore Respondent engaged in fraudulent practices in violation of N.D.C.C. § 10-04-15(2).
5. Pursuant to N.D.C.C. § 10-04-16, when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared in violation of Chapter 10-04 of the North Dakota Century Code, the Securities Commissioner has the authority to issue any order, including cease and desist, rescission, stop, and suspension orders, which the commissioner deems necessary or appropriate in the public interest or for the protection of investors. Pursuant to N.D.C.C. § 10-04-06.1, the Securities Commissioner has the authority to summarily suspend any exemption under § 10-04-06, with respect to any securities transaction prior to the making of any offers or sales. The violations described above are sufficient grounds for the Commissioner to issue a stop order suspending the offer and sale of the RAHFCO funds by Respondent and suspending the exemption for the offer and sale of partnership interests to a limited partnership's partners under N.D.C.C. § 10-04-06(4)(b).
6. The following Order is necessary and appropriate in the public interest and for the protection of investors.

NOW, THEREFORE, IT IS ORDERED, pursuant to N.D.C.C. § 10-04-16(1) and N.D.C.C. § 10-04-06.1, that the Respondent, RAHFCO Management Group, LLC, shall immediately stop offering for sale or selling the RAHFCO funds or any other securities, or effecting transactions in securities, in North Dakota, and **IT IS FURTHER ORDERED**, that any exemption for the offer and sale of partnership interests to a limited partnership's partners under N.D.C.C. § 10-04-06(4)(b) by Respondent is suspended.

NOTICE OF RIGHT TO REQUEST A HEARING

YOU ARE NOTIFIED that, pursuant to N.D.C.C. § 10-04-12 and N.D.C.C. § 10-04-06.1, you may request a hearing before the Securities Commissioner if such a request is made in writing WITHIN FIFTEEN (15) DAYS AFTER THE RECEIPT OF THIS ORDER.

The Respondents have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 13 day of May, 2011.





Karen J. Tyler, Securities Commissioner
North Dakota Securities Department
600 East Boulevard Ave.
State Capitol – Fifth Floor
Bismarck, ND 58505-0510
(701) 328-2910