

STATE OF NORTH DAKOTA

SECURITIES DEPARTMENT

In the Matter of:)
)
Scott L. Biggs,) **CEASE AND DESIST ORDER**
) **AND**
) **NOTICE OF RIGHT TO**
) **REQUEST A HEARING**
)
Respondent.)

.....
THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO: SCOTT L. BIGGS, RESPONDENT.

The North Dakota Securities Commissioner has a reasonable basis to believe that the Respondent has engaged in, is engaging in, or is about to engage in, acts, practices or transactions, as more fully described below, which are prohibited under Chapter 10-04 of the North Dakota Century Code (N.D.C.C.). It is necessary and appropriate in the public interest and for the protection of investors to restrain these acts, practices, or transactions of the Respondent.

1. Respondent, Scott L. Biggs, (hereinafter, "Biggs") is a resident of Dickinson, North Dakota, and for all times relevant hereto, was offering business management and consulting services under the trade name, Business Management Group, with offices in Dickinson, North Dakota. Biggs is not now and has never been registered as an investment adviser in North Dakota.

2. On or about December 7, 2005, Biggs entered into an agreement with a resident of Buxton, North Dakota, (hereinafter, "client") to provide business management and consulting services for him, individually and for his business.

Shortly thereafter, on the advice of Biggs, client began transferring securities, including investments in Inland Western Retail Real Estate Trust and Morgan Stanley investment accounts, into private trusts controlled by Biggs called "General Property Management Trust" and "Vision Services, A Trust".

3. On September 11, 2009, Biggs withdrew \$30,000 of client's funds from a Vision Services, A Trust securities account and deposited the money into a Wells Fargo savings account under his control. Client was not told of the transfer and did not consent to it.

4. On September 14, 2009, Biggs issued two cashier's checks out of the Wells Fargo savings account. One of them in the amount of \$23,552.40 was payable to Chase Card Services for payment of a personal credit card bill of Biggs. The second was in the amount of \$5,805.00, payable to Swiss America Trading Corporation, and was used to purchase three \$20 Liberty gold coins in Biggs' name. Client was not told of these transactions and did not consent to them.

5. Respondent Biggs, in recommending the transfer of client's securities and later exercise of unauthorized use of the proceeds, acted as an unregistered investment adviser in this state in violation of N.D.C.C. § 10-04-10(3).

6. Respondent Biggs, in the liquidation of client securities and using client funds for his own personal benefit, without client's knowledge and consent, committed a fraudulent practice in violation of N.D.C.C. § 10-04-15(2).

7. Pursuant to N.D.C.C. § 10-04-16(1), the Securities Commissioner has the authority to Order that a person Cease and Desist from violations of the Securities Act, to rescind transactions made in violation of the Securities Act, and

to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act.

8. This Order is issued in the public interest and for the protection of investors.

NOW, THEREFORE, IT IS ORDERED, pursuant to N.D.C.C. § 10-04-16, that the Respondent, Scott L. Biggs, shall immediately **CEASE AND DESIST** from any further violations of the Securities Act or rules in connection with the offer and/or sales of securities in this state.

This Order shall be effective upon signature of the Commissioner.

YOU ARE NOTIFIED that any willful violation of this order is a Class B Felony pursuant to N.D.C.C. § 10-04-18(1). Pursuant to N.D.C.C. § 12.1-32-01(3), a Class B Felony is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person. Pursuant to N.D.C.C. § 12.1-32-01.1(2), a Class B Felony is punishable by a \$35,000 fine with respect to an organization.

YOU ARE FURTHER NOTIFIED that, pursuant to N.D.C.C. § 12.1-09-03, a person is guilty of a criminal offense if that person intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

NOTICE OF RIGHT TO REQUEST A HEARING

YOU ARE NOTIFIED that, pursuant to N.D.C.C. § 10-04-12, 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 Respondent has the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 3rd day of

July, 2012.





Karen J. Tyler, Securities Commissioner
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