

**STATE OF NORTH DAKOTA**

**SECURITIES DEPARTMENT**

In the Matter of True Investments Inc.	)	<b>ORDER FOR CIVIL PENALTY</b>
and Ty Olstad,	)	<b>AND</b>
	)	<b>NOTICE OF RIGHT TO</b>
Respondents.	)	<b>REQUEST A HEARING</b>

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**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO: TRUE INVESTMENTS INC. and TY OLSTAD, RESPONDENTS.**

The North Dakota Securities Commissioner has a reasonable basis to believe that the Respondents have engaged 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 Respondents.

1. Respondent, True Investments Inc., is a North Dakota corporation, currently not in good standing, which had its principal office at 68 North Broadway, Suite 202, Fargo, North Dakota, offering investment contracts in the form of "Monetary Blocks" of concert productions, among others. At all times relevant hereto, Respondent, Ty Olstad, was an officer, director, owner and/or control person of Respondent, True Investments Inc., acting within the course and scope of the express and implied authority granted him by Respondent, True Investment Inc., and is also its Registered Agent in the State of North Dakota.

2. Respondent, True Investments Inc., is not now and has never been registered as a broker-dealer with the North Dakota Securities Department.
3. Respondent, Ty Olstad, is not now and has never been registered as an agent with the North Dakota Securities Department.
4. On or about February 1, 2006, the Respondents, True Investments Inc. and Ty Olstad, offered for sale and sold an investment contract in the form of "Monetary Blocks" of concert productions for value to Aaron W. Anderson in Fargo, North Dakota. The investment contract was a security as defined in N.D.C.C. §10-04-02(19).
5. The securities transaction referenced above involved a total investment of \$15,000.
6. The investment contract offered and sold by the Respondents has not been registered with the Securities Department under N.D.C.C. §§ 10-04-07.1, 10-04-08, or 10-04-08.1; is not an exempt security under N.D.C.C. § 10-04-05; and has not been offered for sale or sold in an exempt transaction under N.D.C.C. § 10-04-06; and is not a federal covered security, nor has it been properly filed as a federal covered security under N.D.C.C. § 10-04-08.4. The offer and sale of the subject investment contract was made in violation of N.D.C.C. § 10-04-04 and each of the Respondents engaged in one violation of N.D.C.C. § 10-04-04.
7. The transaction referenced above was conducted at a time when Respondent, True Investments Inc., was not registered as a broker-dealer

with the Securities Department. The Respondent, True Investments Inc., engaged in one violation of N.D.C.C. § 10-04-10(1).

8. Respondent, Ty Olstad, was not registered as an agent with the Securities Department at the time of this transaction. Respondent, Ty Olstad, engaged in one violation of N.D.C.C. § 10-04-10(2).

9. 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 violations of the Securities Act, and to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act or a total of \$40,000 based on the violations described above. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against the Respondents pursuant to N.D.C.C. § 10-04-16 (1).

10. 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:

Respondents, True Investments Inc. and Ty Olstad, are hereby assessed, and shall pay a civil penalty of \$20,000 to the North Dakota Securities Department based on the violations discussed above. The civil penalty assessed under this paragraph is joint and several, and shall be deposited as follows:

1. \$17,500 shall be deposited into the North Dakota Investor Restitution Fund (Fund # 262), for the purpose of reimbursing the complainant for losses incurred as a result of the investment with the

Respondents. The complainant's losses will be calculated pursuant to N.D.C.C. § 10-04-17. Any funds not paid to the complainant within one year of the date those funds are collected shall revert to the General Fund for the State of North Dakota.

2. \$2,500 shall be paid to the North Dakota Securities Department, and shall be deposited into the General Fund for the State of North Dakota.
3. Respondents shall not engage in the business of selling securities in North Dakota, unless or until they have registered with the Securities Department as broker-dealer or agent.
4. Respondents shall not engage in any violations of the North Dakota Securities Act.

The civil penalties assessed herein are due and payable immediately upon the entry of this Order, except to the extent that a hearing has been timely requested by the respective Respondent. If a hearing is requested, the Securities Commissioner expressly reserves the authority to modify this provision and to assess civil penalties, not to exceed \$10,000 per violation, regarding the violations outlined above or any other violations subsequently discovered.

#### **NOTICE OF RIGHT TO REQUEST 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 Respondents have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 9<sup>th</sup> day of June, 2008.



  
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