

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING) Order Number S-03-223-04-TO01
Whether there has been a violation of the)
Securities Act of Washington by:) SUMMARY ORDER TO CEASE AND
) DESIST
)
MA Quik Framing Inc. and)
Laurance D. Anthone;)
)
Respondents)

THE STATE OF WASHINGTON TO: MA Quik Framing Inc. and
Laurance D. Anthone

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, MA Quik Framing Inc. and Laurance D. Anthone, have each violated the Securities Act of Washington ("Securities Act") and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 against each to cease and desist from such violations and under RCW 21.20.395 to impose fines. The Securities Administrator finds that delay in ordering the Respondents to cease and desist from such violations would be hazardous to investors and to the public and that a Summary Order to Cease and Desist should be entered immediately. The Securities Administrator finds as follows:

1 **TENTATIVE FINDINGS OF FACT**

2 **RESPONDENTS**

3 1. MA Quik Framing Inc. ("MA Quik") is a Washington corporation with a principal
4 business office at 6000 Southcenter Blvd., Suite 20, Tukwila, WA 98118-2499. It is in the
5 business of land acquisition and development.

6 2. Laurance D. Anthone ("Anthone") is the CEO of MA Quik. He resides in Federal Way,
7 Washington.

8 **NATURE OF THE OFFERING**

9 3. Between at least July and October 2003, MA Quik and Anthone offered investments, in
10 the form of promissory notes and profit sharing agreements, to at least five Washington
11 residents and raised approximately \$100,000.

12 4. Over the course of 2003, Anthone made presentations to prospective investors at MA
13 Quik's office in Tukwila. During these presentations, Anthone showed documents relating to
14 MA Quik and the development of properties in Washington. Following these presentations,
15 Anthone entered into a "Investment/Profit Shareing [sic] Agreement" with so-called "equity
16 partners." Under the Agreement, investors were to fund the development of a particular
17 property by MA Quik, and would be entitled to a share of the profit from the subsequent sale of
18 the property. In addition to the profit sharing agreement, Anthone also signed and provided
19 promissory notes to the investors. In these promissory notes, Anthone promised to pay the
20 investor an extraordinary return (typically 200%) within a four or six month period. Based on
21 these representations, at least five investors in Washington transferred approximately \$100,000
22 to Anthone. The investors did not participate in the management of the real estate investments.
23 Several investors have not been paid in accordance with the terms of the promissory notes.

1 5. In the offer and sale of the promissory notes and profit sharing agreements, the
2 Respondents failed to disclose material information, including, but not limited to, the general and
3 specific risks associated with the investment, obstacles to the development of the properties,
4 their experience and track record in similar ventures, and the basis and assumptions for the
5 returns that were promised.

6 **REGISTRATION STATUS**

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8 6. The offering of the promissory notes and profit sharing agreements described above is
9 not currently, and has not previously been registered under the Securities Act, and no notice of
10 claim of exemption is on file with the Securities Administrator of the State of Washington.

11 7. Anthone is not is currently registered as a securities salesperson or broker-dealer in the
12 State of Washington and has not previously been so registered.

13 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

14 **CONCLUSIONS OF LAW**

15 1. The offer and/or sale of promissory notes and profit sharing agreements by the
16 Respondents, as set forth in the above in the Tentative Findings of Fact, constitutes the offer
17 and/or sale of a security, as defined in RCW 21.20.005(10) and (12).

18 2. MA Quik Framing Inc. and Laurance D. Anthone have each violated RCW 21.20.010
19 because, in connection with the offer or sale of promissory notes, they each made untrue
20 statements of material fact or omitted to state material facts necessary in order to make the
21 statements made, in the light of the circumstances under which they were made, not
22 misleading.

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24 3. MA Quik Framing Inc. and Laurance D. Anthone have each violated RCW 21.20.140,
25 the securities registration provision of the Securities Act, because they offered and/or sold

1 securities for which there was no registration on file with the Securities Administrator, and it
2 appears that they do not otherwise qualify for an exemption from registration.

3 4. Laurance D. Anthone has violated RCW 21.20.040, the salesperson registration
4 provision of the Securities Act, because he offered and/or sold promissory notes while not
5 registered as a securities salesperson or broker-dealer in the State of Washington.

6 5. The Securities Administrator finds and concludes that an emergency exists, that the
7 continued violations of RCW 21.20.010, RCW 21.20.140, and RCW 21.20.040, constitutes a
8 threat to the investing public. Accordingly, a Summary Order to Cease and Desist from those
9 violation is in the public interest and necessary for the protection of the investing public.
10

11 **SUMMARY ORDER**

12 Based upon the foregoing, IT IS THEREFORE HEREBY SUMMARILY ORDERED
13 that Respondents MA Quik Framing Inc. and Laurence D. Anthone, and their agents, employees,
14 and representatives, shall each cease and desist from violating RCW 21.20.010, the anti-fraud
15 section of the Securities Act.

16 It is further SUMMARILY ORDERED that the Respondents MA Quik Framing Inc.
17 and Laurence D. Anthone, and their agents, employees, and representatives, shall each cease and
18 desist from violating RCW 21.20.140, the securities registration section of the Securities Act.

19 It is further SUMMARILY ORDERED that Laurence D. Anthone cease and desist from
20 violating RCW 21.20.040, the section of the Securities Act that requires registration of
21 securities salespersons and broker-dealers.
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1 **NOTICE OF INTENT TO IMPOSE FINES**

2 Pursuant to RCW 21.20.395, and based upon the above Tentative Findings of Fact and
3 Conclusions of Law, the Securities Administrator finds that Respondents have committed a
4 knowing or reckless violation of the Securities Act such that the imposition of a fine is required.
5 Therefore, the Securities Administrator intends to order that Respondents MA Quik Framing Inc.
6 and Laurence D. Anthone shall be jointly and severally liable for and shall pay a fine in the
7 amount of \$10,000.

8 **NOTICE OF INTENT TO ORDER AFFIRMATIVE RELIEF**

9 Pursuant to RCW 21.20.390, and based upon the above Tentative Findings of Fact and
10 Conclusions of Law, the Securities Administrator finds that affirmative action is warranted to
11 correct the conditions resulting from Respondents' violations. Therefore, the Securities
12 Administrator intends to order that Respondents MA Quik Framing Inc. and Laurence D.
13 Anthone shall be liable for and shall provide appropriate affirmative action, including, without
14 limitation, a requirement to pay \$5,000 for the costs, fees, and other expenses incurred in the
15 conduct of this investigation.

16 **AUTHORITY AND PROCEDURE**

17 This Order is entered pursuant to the provisions of RCW 21.20.390, and RCW 21.20.395,
18 and is subject to the provisions of Chapter 34.05 RCW. The Respondents may make a written
19 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
20 OPPORTUNITY FOR HEARING accompanying this Order. A request for a hearing should be in
21 writing and should be sent to Michael E. Stevenson, Securities Administrator, Department of
22 Financial Institutions, P.O. Box 9033, Olympia, WA 98507-9033.

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If a Respondent does not make a timely hearing request, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and make the Summary Order to Cease and Desist permanent as to that Respondent and impose the fine and affirmative relief as set forth.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

Dated and Entered this 19th day of January, 2005



Michael E. Stevenson
Securities Administrator

Approved by:



Martin Cordell
Chief of Enforcement

Presented by:



Robert Kondrat
Financial Legal Examiner