BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
TRI-NATIONAL DEVELOPMENT CORPORATION,
JOHNSON, RICHARDS & COMPANY, INC.,
WORLD INVESTORS CREDIT UNION, LC.,
MICHAEL A SUNSTEIN, JASON A SUNSTEIN,
PAUL GOSS, GILBERT R FUENTES, SHANE KENNEDY,
JERRY PARKER, M.D., JAY PASTERNAK, ROBERT
ROSEN, M.D., TED TAKACS, ARTHUR LILLY,
RICHARD FABULICH and R. EUGENE HERBERT

Respondents.

PETITION FOR ORDER

File No. S-99004(EX)

The staff of the Enforcement Unit of the Registration & Enforcement Section of the Division of Securities alleges that:

1. Tri-National Development Corporation ("Tri-National") is a foreign business entity with a last known business address of 480 Camino Del Rio South, Suite 140, San Diego, CA 92108.

2. Johnson, Richards & Company, Inc. ("Johnson") is a foreign business entity with a last known business address at 701 Palomar Airport Rd, Suite 300, Carlsbad, CA 92009;

3. World Investors Credit Union, LC ("World") is a foreign business entity with a last known business address at Chambers Building, Suite 9, Main St., Charlestown, Nevis, West Indies;

4. Michael A Sunstein (CRD #8990902) ("M. Sunstein ") is an individual who at all times material hereto has been President and Chief Executive Officer of Tri-National, with a last known business address at that of Tri-National.

5. Jason A Sunstein (CRD #2717804) ("J Sunstein ") is an individual who at all times material hereto has been President of Tri-National, with a last known business address at that of Tri-National.

6. Paul Goss ("Goss") is an individual who at all times material hereto has been a Vice President and General Counsel of Tri-National, with a last known business address at that of Tri-National.

7. Gilbert R Fuentes ("Fuentes") is an individual who at all times material hereto has been Treasurer and Chief Financial Officer of Tri-National, with a last known business address at that of Tri-National.

8. Shane Kennedy ("Kennedy") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

9. Jerry Parker, M.D. ("Parker") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

10. Jay Pasternak ("Pasternak") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

11. Robert Rosen, M.D. ("Rosen") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

12. Ted Takacs ("Takacs") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

13. Arthur Lilly ("Lilly") is an individual who at all times material hereto has been a Director of Tri-National, with a last known business address at that of Tri-National.

14. Richard Fabulich ("Fabulich") is an individual who at all times material hereto has been the President of Johnson, with a last known business address at that of Johnson.

15. R. Eugene Herbert ("Herbert") is an individual who at all times material hereto has been the Managing Director of World, with a last known business address at that of World.

16. During the period of March, 1999, agents on behalf of Tri-National, Johnson, World, M. Sunstein, J Sunstein, Goss, Fuentes, Kennedy, Parker, Pasternak, Rosen, Takacs, Lilly, Fabulich, and Herbert offered and sold to at least one person in Wisconsin a promissory note of Tri-National.

17. The promissory notes of Tri-National are securities as defined by sec. 551.02(13), Wis. Stats., and never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

18. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

19. In connection with the offers of the securities described above, Respondents employed agents to transact business in Wisconsin, as that term is defined by sec. 551.02(2), Wis. Stats.

20. At no time were the agents licensed as securities agents pursuant to Ch. 551, Wis. Stats.

21. All Respondents have violated sec. 551.31(2), Wis. Stats., by employing unlicensed agents to represent them in Wisconsin.

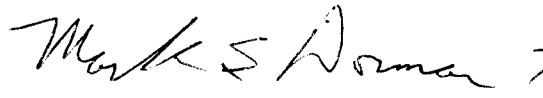
22. Documents filed with the U.S. Securities & Exchange Commission indicate that Tri-National's income had been steadily decreasing, as follows:

	Revenues	Income
9mo ending 1/31/97	$3,337,779	$3,261,598
9mo ending 1/31/98	2,222,580	1,870,650
9mo ending 1/31/99	492,000	(3,902,459)

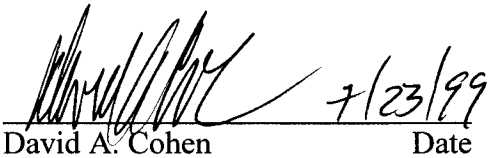
23. The offering materials provided to the investor in Wisconsin fail to disclose any financial information about Tri-National.

24. The failure to disclose Tri-National's financial condition constitutes, under the circumstances, the making of an untrue statement of material fact or the omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, as proscribed by sec. 551.41(2), Wis. Stats.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.



Mark E. Dorman Date
Examiner
Enforcement Unit



David A. Cohen Date
Supervising Attorney
Enforcement Unit