

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

In the Matter of
JERRY A. KLEMP,

PETITION FOR ORDER

Respondent.

File No. S-00006(EX)

The staff of the Enforcement Unit, Registration & Enforcement Section, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Sebastian International Enterprises, Inc. ("Sebastian") is a foreign business entity with a last known business address of 105 Markham Court, Longwood, FL 32779.
2. Technical Support Services, Inc. ("Technical Support") is a foreign business entity with a last known business address of 1050 Kingsmill Pkwy, Columbus, OH 43229.
3. World Vision Entertainment, Inc. ("World Vision") is a foreign business entity with a last known business address of 285 National Pl., #127, Longwood, FL.
4. Phoenix Telecom, LLC ("Phoenix Telecom") is a foreign business entity with last known business addresses of 1340 Center Dr., Ste. 202, Atlanta, GA 30338 and 2611 Belt Line, Ste. 200, Sunnyvale, TX 75182.
5. Web Booth Corp., a/k/a Web Booth, Inc., ("Web Booth") is a foreign business entity with last known business addresses of 3600 South Harbor Boulevard, Oxnard, CA 93035 and 1800 Century Park East, 6th Fl., Century City, CA 90067.
6. Jerry A. Klemp (DOB 1/13/57) ("Klemp") is an individual, with a last known home address at that of 6013 Edward St., Schofield, Wisconsin 54476.
7. Klemp has been an insurance agent licensed with the Wisconsin Office of the Commissioner of Insurance at all times material hereto.
8. During the period of 1998 and 1999, Klemp, on behalf of Sebastian, offered and sold promissory notes of Sebastian to at least two persons in Wisconsin.
9. During the period of 1998, Klemp, on behalf of Technical Support, offered and sold promissory notes of Technical Support to at least three persons in Wisconsin.
10. During the period of 1998, Klemp, on behalf of World Vision, offered and sold promissory notes of World Vision to at least seven persons in Wisconsin.
11. During the period of 1998, Klemp, on behalf of Phoenix Telecom, offered and sold investment contracts of Phoenix Telecom to at least three persons in Wisconsin.

12. During the period of 1999, Klemp, on behalf of Web Booth, offered and sold investment contracts of Web Booth to at least three persons in Wisconsin.
13. The promissory notes of Sebastian, Technical Support, and World Vision, and the investment contracts of Phoenix Telecom and Web Booth, are securities as defined by sec. 551.02(13), Wis. Stats.
14. The promissory notes and investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
15. Klemp has violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities in Wisconsin.
16. In connection with the offer and sale of the securities described above, Klemp transacted business in Wisconsin as an "agent" for Sebastian, Technical Support, World Vision, Phoenix Telecom, and Web Booth, as that term is defined by sec. 551.02(2), Wis. Stats.
17. At no time has Klemp been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
18. Klemp has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
19. On August 4, 1999, the Wisconsin Department of Financial Institutions, Division of Securities, issued Summary Orders of Prohibition and Revocation against Sebastian, et al.
20. On September 23, 1999, the Wisconsin Department of Financial Institutions, Division of Securities, issued Summary Orders of Prohibition and Revocation against Technical Support, et al.
21. On June 16, 1999, the Wisconsin Department of Financial Institutions, Division of Securities, issued Summary Orders of Prohibition and Revocation against World Vision, et al.
22. On September 23, 1999, the Wisconsin Department of Financial Institutions, Division of Securities, issued Summary Orders of Prohibition and Revocation against Technical Support, et al.
23. Personnel of the Division contacted Klemp by telephone on April 30, 1998 about his investment-related transactions with persons in Wisconsin for National Communications Marketing, Inc. ("NCMI"), File No. S-98082(EX).
24. During the telephone contact referred to in paragraph 23 above, Klemp denied making any sales of investments of NCMI, and said he would cease all sales activities for NCMI unless and until he received written verification from the Division that the investment-related transactions were not those of securities transactions.
25. Personnel of the Division also contacted Klemp by mail with a letter dated May 4, 1998, to inquire of his securities-related transactions with persons in Wisconsin, concerning NCMI, File No. S-98082(EX).
26. Klemp provided certain sales materials to the Division, as requested in the May 4, 1998 letter but did not provide the names of persons whom Klemp had solicited to invest, as requested in the May 4, 1998 letter of the Division.

