

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

In the Matter of
SECURITY FINANCIAL GROUP, INC.
and BRIAN S. WRIGHT,

PETITION FOR ORDER

Respondents.

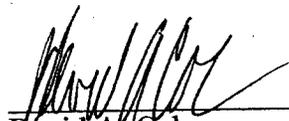
File No. S-99217(EX)

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. Security Financial Group, Inc. ("SFGI") is a foreign business entity with a last known business address of 25 E Main St., Batavia, OH 45103-2905.
2. Brian S. Wright (CRD 2350393; DOB 8/12/68) ("Wright") is an individual who at all times material hereto has been President of SFGI, with a last known business address at that of SFGI.
3. During the period of approximately February 1998 through July 1999, various agents, on behalf of SFGI and Wright, offered and sold to at least 53 persons in Wisconsin promissory notes and investment contracts.
4. The promissory notes and investment contracts offered by the respondents are securities as defined by sec. 551.02(13), Wis. Stats. and have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
5. The Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities in Wisconsin.
6. In connection with the offers of the securities described above, SFGI transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.
7. At no time has SFGI been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.
8. SFGI has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.
9. In connection with the offers of the securities described above, various persons transacted business in Wisconsin as "agents" for SFGI and Wright, as that term is defined by sec. 551.02(2), Wis. Stats.
10. At no time have the agents been licensed as securities agents pursuant to Ch. 551, Wis. Stats.
11. SFGI and Wright have violated sec. 551.31(2), Wis. Stats., by employing unlicensed agents to represent them in Wisconsin.

12. On May 25, 1999, the State of Pennsylvania issued a Cease and Desist Order against SFGI and Wright based on allegations of securities law violations.
13. In connection with those offers and sales of the securities described in Paragraph 3 taking place in June and July, 1999, SFGI and Wright omitted to disclose the issuance of the order referred to in Paragraph 12.
14. SFGI and Wright have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.

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.



David A. Cohen
Supervising Attorney
Enforcement Unit

2/28/00
Date