

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

In the Matter of
THE US ASSOCIATES, and
DON W. SLATER,

STATEMENT OF STAFF
ALLEGATIONS AND
PETITION FOR ORDER
OF PROHIBITION AND
REVOCATION

Respondents.

S-00174(EX)

WHEREAS the staff of the Enforcement Unit of the Division of Securities of the Department of Financial Institutions, State of Wisconsin, has conducted an investigation in the above-captioned matter pursuant to sections 15.02(4) and 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. The US Associates is, upon information and belief, a foreign business entity, with an address at all times material hereto at 441 Monroe Dr., Natchitoches, LA 71457.
2. Don W. Slater (DOB 11/23/41) ("Slater") is an adult male individual, upon information and belief, whose address at all times material hereto has been at that of The US Associates, and who was an owner, officer and a controlling person of The US Associates at all times material hereto.
3. 5 Star Global, L.L.C. ("5 Star") is a Wisconsin limited liability company with an address at all times material hereto at 2810 Crossroads Dr., Ste. 4800, Madison, WI 53718.
4. Gary L. Augustine (DOB 11/26/46) ("Augustine") is an adult male individual with a last known residence address of 222 Hanley Road #30, Hudson, WI 54016, and who at all times material hereto was an owner, operator, and controlling person of 5 Star.
5. Ronald M. "Ron" Turner (DOB 8/27/42) ("Turner") is an adult male individual with a last known residence address of 6680 Token Way, DeForest, WI 53532, and who, at all times material hereto, was an owner, operator, and controlling person of 5 Star.
6. Upon information and belief, during at least early 1998, Augustine, Turner and their agents, all on behalf of The US Associates and Slater, offered and sold investments of approximately \$895,000 in 5 Star to at least 12 persons in Wisconsin.
7. The \$895,000 raised by 5 Star was sent to The US Associates and Slater for an asset management fund, consisting of insurance company-issued Guaranteed Investment Contracts, U.S. Treasury Obligations, and Bank-issued Medium Term Notes, which will result in the persons in Wisconsin who invested obtaining at the end of the approximately one-year term of the investment contract a minimum return of 10 times the capital originally invested.
8. The US Associates investments were investments in a common enterprise with the expectation of profit to be derived through the essential managerial efforts of someone other than the investor.

