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

In the Matter of
FARGO HOLDINGS, INC., MICHAEL I. NNEBE,
NELSON C. WALKER, STEVE WILSON,
and RICHARD KIEL,

Respondents.

PETITION FOR ORDER

File No. S-99314(EX)

The staff of the Enforcement Unit, Bureau of Registration & Enforcement, 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. Fargo Holdings,Inc. ("Fargo") is a Delaware corporation with a last known business address of 80 Wall St., Ste. 1018, New York, NY 10005.

2. Michael I. Nnebe (DOB 3/29/61; CRD #2186149) ("Nnebe") is an individual who at all times material hereto has been President of Fargo, with a last known business address at that of Fargo.

3. Nelson C. Walker (DOB 11/29/53; CRD #1920225) ("Walker") is an individual who at all times material hereto has been an agent of Fargo and Nnebe, with a last known business address at that of Fargo.

4. Richard Kiel ("Kiel") is an individual who at all times material hereto has been an agent of Fargo and Nnebe, with a last known business address at that of Fargo.

5. Steve Wilson ("Wilson") is an individual who at all times material hereto has been an agent of Fargo and Nnebe, with a last known business address at that of Fargo.

6. During the period from August 1997 through April 1999, Walker, Kiel and Wilson, on behalf of Fargo and Nnebe, offered and sold to at least three persons in Wisconsin the stock of Fargo, in the aggregate amount of $390,000.

7. The Fargo stock offered and sold by the respondents is a security as defined by sec. 551.02(13), Wis. Stats., and has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

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

9. In connection with the offers of the securities described above, Walker, Kiel and Wilson transacted business in Wisconsin as "agents" for Fargo and Nnebe, as that term is defined by sec. 551.02(2), Wis. Stats.

10. At no time have Walker, Kiel and Wilson been licensed as securities agents pursuant to Ch. 551, Wis. Stats.

11. Walker, Kiel and Wilson have violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as securities agents without a license.

12. Fargo and Nnebe have violated sec. 551.31(2), Wis. Stats., by employing unlicensed agents to represent them in Wisconsin.

13. On June 12, 2001, the U.S. Securities & Exchange Commission filed a civil complaint charging Fargo, Nnebe, Walker, Steven S. Bocchino and Daniel M. Coyle, Jr. with fraud in the offer and sale of over $2 million of Fargo stock to at least 118 investors.

14. The complaint referred to in Paragraph 13 above also alleges that Fargo had no legitimate business operations and that Nnebe misappropriated more than $1.15 million of the offering proceeds for his personal use.

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.

Susan A. Kittel Moore 12/12/01

Susan A. Kittel Moore — Date
Legal Assistant
Enforcement Unit

12/12/01

David A. Cohen — Date
Supervising Attorney
Enforcement Unit