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

In the Matter of POSITION TRADING.NET, LLC, and THOMAS K. VAN AHN,	PETITION FOR ORDER
Respondents.	File No. S-02022(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. Position Trading.net, LLC ("Position Trading"), is a business entity registered in Wisconsin, with a last known business address of 502 Boyd Street, Oshkosh, Wisconsin 54901;

2. Thomas K. Van Ahn ("Van Ahn") is a male individual, who, upon information and belief, was born on September 30, 1960, was previously licensed as a securities agent in Wisconsin during the time period of 1991 to 1999, with a CRD number of 2117531, and who upon information and belief was at all times material hereto the owner and controlling person of Position Trading, with a last known home and business address at 502 Boyd Street, Oshkosh, Wisconsin 54901;

3. Upon information and belief, during the period of 2000 and 2001, the Respondents set up and operated the "PTN Investment Club," on the Internet and offered and sold to at least one person investment interests, in which the investor's money was pooled in "portfolios" with that of other investors, and invested in the investment market, with the investor sharing in the profits based on the participation of the investor in one portfolio, which was managed by the Respondents, with the investor making quarterly payments to the Respondents for managing the portfolios of the investor, at the rate of 20% of the profits;

4. According to the web site of Position Trading on the Internet at that time, "...The Investment Club is where the investor selects the portfolio or portfolios they wish to utilize except the trades are made by the chosen head of the Investment Club. ... The Investment Club does attain from you, a portion of the net profits made, to offset costs related to trading and reporting. This retainer is prorated and based upon ones (sic) entry level into the Investment Club and does vary depending upon membership agreement and complexity of the Clubs (sic) goals and objectives. ....";

5. The actions of the Respondents, as described above, constitute transacting business as an investment adviser;

6. At no time has either Respondent been licensed as an investment adviser pursuant to Ch. 551, Wis. Stats;

7. The actions of the Respondents, as described above, constitute transacting business as an unlicensed investment adviser in violation of sec. 551.53(3), Wis. Stats.;

8. Upon information and belief, the person who invested has repeatedly requested repayment but has not gotten repayment of their principal or payment of return on investment as promised;

9. Staff of the Division of Securities mailed an inquiry letter to Van Ahn on October 24, 2000, but to date have received no response.

10. On November 21, 2000, the National Association of Securities Dealers ("NASD") found that Van Ahn had failed to send copies of order tickets for all trades to his main office, and that he placed options transactions for his own account, without his firm's approval, which resulted in the NASD imposing a $5,000 fine on Van Ahn and a suspension on him from association with any NASD member in any capacity for 10 days; and

11. On February 9, 2001, the NASD revoked the registration of Van Ahn for his failure to pay the $5000 fine of the NASD referred to in Paragraph 10.

12. 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 2-5-02

Mark E. Dorman Date
Examiner
Enforcement Unit

2/5/02

David A. Cohen Date
Supervising Attorney
Enforcement Unit