

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

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In the Matter of

I.O.P. DIGITAL SOFTWARE, LTD.,  
ALEXANDER FREYMAN, and  
ALAN FISHER,

Respondents.

PETITION FOR ORDER

File No. S-01154 (EX)

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The staff of the 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 § 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. I.O.P. Digital Software, Ltd. ("I.O.P. Digital") is a New York business corporation with a last known business address of 1673 East 16<sup>th</sup> Street, Suite 54, Brooklyn, New York 11229.
2. Alexander Freyman ("Freyman") is an individual who at all times material hereto has been the President of I.O.P. Digital, with a last known business address at 1673 East 16<sup>th</sup> Street, Suite 54, Brooklyn, New York 11229.
3. Alan Fisher ("Fisher") is an individual who at all times material hereto has been the Director of Underwriting and Investment Relations of I.O.P. Digital, with a last known business address at 1673 East 16<sup>th</sup> Street, Suite 54, Brooklyn, New York 11229.
4. During the summer of 2001, Fisher, on behalf of I.O.P. Digital, offered stock in I.O.P. Digital to at least one person in Wisconsin.
5. The stock offered to the individual in Wisconsin constitutes a "security" as defined in Wis. Stat. § 551.02(13)(a).
6. The person in Wisconsin referred to above had no pre-existing relationship with any of the Respondents.
7. The offering materials received by the investor state that the offering is exempt from registration pursuant to Rule 505 of Regulation D promulgated pursuant to Section 4(2) of the Securities Act of 1933, as amended by adoption of the National Securities Markets Improvement Act of 1996.
8. As set forth in § 551.23(19), Wis. Stats., transactions made in reliance on the exemption provided by Rule 505 of Regulation D under the Securities Act of 1933 require the issuer to file a completed and signed copy of federal Form D with the Division of Securities, accompanied by a filing fee of \$200 prior to its first use in Wisconsin.
9. The Division of Securities has never received a completed and signed copy of federal Form D, accompanied by a filing fee of \$200, in regard to the sales of the stock and warrants of I.O.P. Digital.
10. All Respondents have violated § 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

11. In connection with the offer of the securities described above, Fisher transacted business in Wisconsin as an "agent" for I.O.P. Digital and Freyman, as that term is defined by §551.02(2), Wis. Stats.
12. At no time has Fisher been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
13. Fisher has violated §551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
14. I.O.P. Digital and Freyman have violated § 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

Therefore, the staff of the Bureau of Registration & Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

*Leslie M. Van Buskirk*      *2/3/03*  
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Leslie M. Van Buskirk      Date  
Staff Attorney  
Bureau of Registration & Enforcement