

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

In the Matter of
RBID.COM, INC.,
KLAUS BARTAK,
HORST P. DANNING,
FRED WALLACE,
EMILIO FRANCISCO,
DEBRA MARTINEZ, and
RAYMOND L. LEONARD, JR.

PETITION FOR ORDER

Respondents.

File No. S-02197(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities, Bureau of Registration & Enforcement, has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. RBID.com, Inc. ("RBID") is a foreign business entity, which upon information and belief, is incorporated in the State of Florida, with a last known business address of 2030 Main Street, Suite 150, Irvine, California 92614;
2. Klaus Bartak ("Bartak") is an individual who at all times material hereto has been the president of RBID, with a last known business address at that of 24461 Bridge Route Drive, Suite 200, Laguna Hills, California 92653;
3. Horst P. Danning ("Danning") is an individual who at all times material hereto has been a director of RBID, with a last known business address at that of 24461 Bridge Route Drive, Suite 200, Laguna Hills, California 92653;
4. Fred Wallace ("Wallace") is an individual who at all times material hereto has been the chief financial officer of RBID, with a last known business address at that of 24461 Bridge Route Drive, Suite 200, Laguna Hills, California 92653;
5. Emilio Francisco ("Francisco") is an individual who at all times material hereto has been a director of RBID, with a last known business address at that of 24461 Bridge Route Drive, Suite 200, Laguna Hills, California 92653;
6. Debra Martinez ("Martinez") is an individual who at all times material hereto has been the secretary of RBID, with a last known business address at that of 24461 Bridge Route Drive, Suite 200, Laguna Hills, California 92653;
7. Raymond L. Leonard, Jr. ("Leonard"), is an individual who at all times material hereto has been an agent of RBID, Bartak, Danning, Wallace, Francisco, and Martinez, with a last known address at that of 23010 Lake Forest Drive, Suite D, PO Box 308, Laguna Hills, California 92653;
8. During the period of 2000, Leonard, on behalf of RBID, Bartak, Danning, Wallace, Francisco, and Martinez, offered and sold to at least two persons in Wisconsin stock of RBID;
9. During the offer to one of the two persons, referred to in Paragraph 8 above, Leonard told the person that that RBID was doing very well and may be buying other businesses;

10. The stock of RBID has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

11. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities to persons in Wisconsin;

12. In connection with the offers and sales of the securities described in Paragraph 8 above, Leonard transacted business in Wisconsin as an "agent," as that term is defined by sec. 551.02(3), Wis. Stats.;

13. At no time has Leonard been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.;

14. Leonard has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license;

15. RBID, Bartak, Danning, Wallace, Francisco, and Martinez have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin;

16. On August 28, 1998, the State of South Dakota issued an administrative order against "Echelon Management Group, Inc., and all officers, directors brokers, agents, and employees," of which Leonard was the president, secretary, and treasurer, for the offer of non-registered and non-exempt securities;

17. In connection with the offer of the securities described in Paragraph 8 above, Leonard omitted to disclose the administrative order issued against Echelon Management Group, Inc., and all officers, directors brokers, agents, and employees, as referred to in Paragraph 16 above;

18. Leonard has 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; and

19. The staff of the Division of Securities mailed letters of inquiry, concerning the matters referenced herein, to the Respondents and have received no response to any of such letters.

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.

 2-19-05

Mark E. Dorman Date
Examiner

 2/19/05

David A. Cohen Date
Supervising Attorney