

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

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In the Matter of  
SYNERGY PARTNERS, INC, and  
JACK T. WAITE,

PETITION FOR ORDER

Respondents.

File No. S-04048(EX)

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The staff of the Bureau of Registration & Enforcement, 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. Synergy Partners, Inc. was a Wisconsin corporation and business entity with last known business address of 3340 Forest Run Court, Madison, Wisconsin 53704.
2. Jack T. Waite (DOB 3/30/55) ("Waite") is an adult male with a last known home address of 7510 Florence Avenue, Downers Grove, Illinois 60516.
3. At all times material, Waite was the president of Synergy Partners, Inc.
4. During June 2000, Waite, on behalf of Synergy Partners, Inc., borrowed \$45,000 from a person in Wisconsin and issued to that person a "Promissory Note" on June 27, 2000 as evidence of the debt, to be repaid with interest on or before August 15, 2000. The "Promissory Note" also indicated that Waite would give 1,000 shares of common stock in Synergy Partners, Inc. to the borrower for making the \$45,000 loan to him.
5. The "Promissory Note" and stock as described in Paragraph 4 are securities as defined by sec. 551.02(13)(a), Wis. Stats.
6. Upon information and belief, Synergy Partners, Inc. was to engage in the business of providing a web site that was to contain databases that would profile legal services. The web site was to provide services and obtain revenues from both subscribers and advertisers.
7. Upon information and belief, Waite told the person in Wisconsin described in Paragraph 4 that he would use all of the money for the business operating expenses of Synergy Partners, Inc., when in reality Waite used a substantial portion of the money to make a down payment on a house that he purchased for himself.
8. Upon information and belief, Waite told the person in Wisconsin described in Paragraph 4 that Synergy Partners, Inc. was going to be receiving 3 to 4 million dollars in funding from SBC in Georgia and other business sources within 90 days so Waite/Synergy Partners, Inc. would have no problem repaying the Wisconsin borrower. In reality, Waite/Synergy Partners, Inc. had not secured any significant business funding.
9. As indicated in Paragraph 4, the "Promissory Note" of Waite stated that he would give the lender 1,000 shares of common stock in Synergy Partners, Inc. Waite never gave the lender any shares of stock in Synergy Partners, Inc.

10. In connection with the offer and sale of the securities described above, Waite failed to disclose that he had multiple unpaid money judgments against him for over \$30,000 by several banks going back as far as 1989.
11. In connection with the offer and sale of securities described above, Waite failed to disclose that he had a criminal record and that he had spent over two years in a federal prison.
12. In connection with the offer and sale of securities described above, Waite failed to disclose that he still owed the federal government almost \$290,000 for court ordered restitution related to his federal conviction.
13. In connection with the offer and sale of securities described above, Waite failed to disclose that he was overdue and in default on a \$75,000 "Promissory Note" from 1996.
14. Waite has violated sec. 551.41(2), Wis. Stats., by making untrue statements of material facts and by omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer and sale of a security to at least one person in Wisconsin.
15. Waite has repaid only \$2,060 of the \$45,000 that was borrowed as described in Paragraph Number 4, despite numerous demands by the lender that he do so.

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.

  
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Gregory L. Kipfer      9/9/04      Date  
Examiner  
Bureau of Registration & Enforcement

  
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David A. Cohen      9/9/04      Date  
Supervising Attorney  
Bureau of Registration & Enforcement