

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

In the Matter of
NED B. MAJORS and
TAX LIEN AGENTS, INC.,

PETITION FOR ORDER

Respondents.

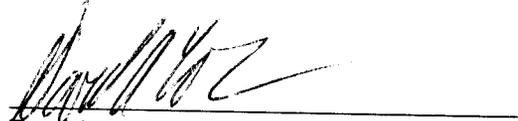
File S-03228(EX)

The staff of the Enforcement Unit, 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. Ned B. Majors (“Majors”), is an individual, with a last known business address of 4502 Hwy. 17 Bypass South, Myrtle Beach, South Carolina 29588.
2. Tax Lien Agents, Inc. (“TLA”), is a foreign corporation, with a last known business address of 4502 Hwy.17 Bypass South, Myrtle Beach, South Carolina 29588.
3. Upon information and belief, at all times material hereto, Majors has been Founder, President, Chairman of the Board, C.E.O. and majority stockholder of TLA.
4. Upon information and belief, during the period of approximately January, 2002, Majors, on behalf of TLA, offered and sold to a person in Wisconsin an investment in TLA.
5. Upon information and belief, the person signed an Agency Contract, a copy of which is attached hereto as Exhibit A (“Contract”), the terms of which state that Majors and TLA will make all purchasing decisions including going to TLA’s auction sites, searching tax records, evaluating the properties, bidding and purchasing Tax Lien Certificates (“TLC’s). The person in Wisconsin agrees to pay TLA a non-refundable agency fee and grants an inchoate interest of 50% ownership in any unredeemed TLC’s to TLA for its valuable service.
6. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the investment offered by the Respondents is an investment contract as defined by DFI-Sec 1.02(b), Wis. Adm. Code, and is therefore a security as defined by sec. 551.02(13), Wis. Stats.
7. The securities described above have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

8. Majors and TLC have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

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.



David A. Cohen
Supervising Attorney
Bureau of Registration and Enforcement



Kathryn L. Denton
Examiner
Bureau of Registration and Enforcement