

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

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In the Matter of  
J.A.P. BROKERS DBA RJ QUINN TRADING,  
FORMERLY KNOWN AS WORLDWIDE COMMODITY  
TRADER, L.L.C., and  
ROMAINE A. QUINN,

PETITION FOR ORDER

File No. S-05173(EX)

Respondents,

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

1. J.A.P. Brokers dba RJ Quinn Trading, formerly known as Worldwide Commodity Trader, L.L.C. ("RJ Quinn Trading"), is a Wisconsin business entity with a last known business address at 2026 ½ Avenue, Rice Lake, Wisconsin 54868;
2. Romaine A. Quinn ("Quinn") is an individual with a date of birth of December 1, 1965, with a last known business address at that of RJ Quinn Trading, and a last known home address of N502 Brill Road, Birchwood, Wisconsin 54817, and who was an insurance agent licensed in the State of Wisconsin until 1992;
3. According to statements made by Quinn to staff of the Division, at all times material hereto, Quinn has been an owner, officer and/or the controlling person of RJ Quinn Trading;
4. According to statements made by Quinn to staff of the Division, during the time period of 2002 to 2005, Quinn offered and sold to at least 13 persons in Wisconsin investments for Quinn to use in buying items to sell in his commodities businesses;
5. According to statements made by Quinn to staff of the Division, Quinn provided to the persons referred to in Paragraph 4 above written and/or oral contracts of himself and/or his commodities businesses, referred to in Paragraphs 1 above, to repay the principal with interest, and to repay the principal upon demand, or at most with 30 days notice;
6. Upon information and belief, investors can play a passive role in the investment ventures of Quinn with no duties and responsibilities;
7. Upon information and belief, each investor will not be involved in the day-to-day management of the investment ventures, since there are too many investors for them to each have any meaningful input, and they do not have the expertise or experience necessary to perform its duties;
8. 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 investments offered and sold by the Quinn are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.;

9. The investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.;
10. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities to persons in Wisconsin;
11. According to the records of the State of Wisconsin Consolidated Court Access Programs, Quinn and his business entities were the subject of the following:
  - a. the delinquent tax warrant in the amount of \$2,841.40 against Quinn on March 9, 1999, in Barron County, by the WI Department of Revenue, case #2001TW55, which is unpaid;
  - b. the delinquent tax warrant in the amount of \$1,246.90 against Quinn on March 23, 1999, in Barron County, by the WI Department of Revenue, case #2001TW56, which is unpaid;
  - c. the judgment in the amount of \$22,817.87 against Quinn, et al., on December 12, 2002, in Barron County, by Textron Financial Corporation, case #2005CV286, which is unpaid;
  - d. the judgment in the amount of \$3,720.11 against Quinn, et al., on April 7, 2003, in Barron County, by Royal Credit Union, case #2003SC400, which is unpaid;
  - e. the judgment in the amount of \$14,325.19 against Quinn, et al., on June 3, 2003, in Barron County, Ron's Plumbing and Heating, Inc., case #2003CV128, which is unpaid;
  - f. the judgment in the amount of \$104,077.67 against Quinn, et al., on July 3, 2003, in Barron County, by Mercury Marine, case #2003CV211, which is unpaid;
  - g. the delinquent tax warrant in the amount of \$4,321.63 against Quinn on September 2, 2003, in Barron County, by the WI Department of Revenue, case #2003TW62, which is unpaid;
  - h. the delinquent tax warrant in the amount of \$5,515.17 against Quinn on February 9, 2004, in Barron County, by the WI Department of Revenue, case #2004TW139, which is unpaid;
  - i. the judgment in the amount of \$135,315.78 against Quinn, et al., on March 22, 2004, in Washburn County, by GE Commercial Distribution Finance, case #2004TJ12, which is unpaid;
  - j. the judgment in the amount of \$928.50 against Quinn, et al., on August 27, 2004, in Douglas County, by Mary Lu Folkestad, case #2004SC661, which is unpaid;
  - k. the judgment in the amount of \$2,033.19 against Quinn, on November 15, 2004, in Barron County, by Donald L. Paulus, case #2004SC1326;
  - l. the judgment in the amount of \$6,860.99 against Quinn, et al., on December 17, 2004, in Barron County, by J&R Sign Company, case #2005TJ3, which is unpaid;
  - m. the judgment in the amount of \$5,091 against Quinn, et al., on April 26, 2005, in Washburn County, by Gerald A. Peterson, case #2005SC107, which is unpaid;
  - n. the judgment in the amount of \$19,889.33 against Quinn, et al., on May 25, 2005, in Barron County, by Blue Ribbon Commodity Traders, Inc., case #2005CV117, which is unpaid;
12. According to statements made by Quinn to staff of the Division, in connection with the offers and sales of the securities described in Paragraph 4 above, Quinn omitted to disclose the civil court actions against Quinn and his business entities referred to in Paragraph 11 above;
13. Quinn 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;
14. According to one investor, Quinn failed to repay the investor's request by the due date of January 1, 2005;

