

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING) Order Number S-03-223-05-FO01
Whether there has been a violation of the)
Securities Act of Washington by:) ENTRY OF FINDINGS OF FACT AND
) CONCLUSIONS OF LAW AND FINAL
) ORDER TO CEASE AND DESIST AND
MA Quik Framing Inc. and) IMPOSE FINE AND COSTS
Laurance D. Anthone;)
)
Respondents)

THE STATE OF WASHINGTON TO: MA Quik Framing Inc. and
Laurance D. Anthone

STATEMENT OF CHARGES

On January 19, 2005, the Securities Administrator of the State of Washington issued a Summary Order to Cease and Desist, Order Number S-03-223-04-TO01 (the "Summary Order"), against Respondents, MA Quik Framing Inc. and Laurance D. Anthone. On or about on January 21, 2005, the Summary Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing (the "Notice") and an Application for Adjudicative Hearing (the "Application"), was served via certified and/or U.S. mail on MA Quik Framing Inc. and Laurance D. Anthone. The Notice advised MA Quik Framing Inc. and Laurance D. Anthone that a written application for an administrative hearing on the Summary Order must be received within twenty days from the date of receipt of the Notice. MA Quik Framing Inc. and Laurance D. Anthone failed to request an administrative hearing within twenty days of receipt of the Order and Notice, either on the Application provided or otherwise.

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER TO
CEASE AND DESIST AND IMPOSE FINE AND
COSTS

1 DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 Therefore, the Securities Administrator will adopt as final the findings of fact and
2 conclusions of law as set forth in the Summary Order.

3 The Securities Administrator makes the following findings of fact and conclusions of law:

4 **TENTATIVE FINDINGS OF FACT**

5 **RESPONDENTS**

6 1. MA Quik Framing Inc. ("MA Quik") is a Washington corporation with a principal
7 business office at 6000 Southcenter Blvd., Suite 20, Tukwila, WA 98118-2499. It is in the
8 business of land acquisition and development.

9 2. Laurance D. Anthone ("Anthone") is the CEO of MA Quik. He resides in Federal Way,
10 Washington.

11 **NATURE OF THE OFFERING**

12 3. Between at least July and October 2003, MA Quik and Anthone offered investments, in
13 the form of promissory notes and profit sharing agreements, to at least five Washington
14 residents and raised approximately \$100,000.

15 4. Over the course of 2003, Anthone made presentations to prospective investors at MA
16 Quik's office in Tukwila. During these presentations, Anthone showed documents relating to
17 MA Quik and the development of properties in Washington. Following these presentations,
18 Anthone entered into a "Investment/Profit Shareing [sic] Agreement" with so-called "equity
19 partners." Under the Agreement, investors were to fund the development of a particular
20 property by MA Quik, and would be entitled to a share of the profit from the subsequent sale of
21 the property. In addition to the profit sharing agreement, Anthone also signed and provided
22 promissory notes to the investors. In these promissory notes, Anthone promised to pay the
23 investor an extraordinary return (typically 200%) within a four or six month period. Based on
24
25

1 these representations, at least five investors in Washington transferred approximately \$100,000
2 to Anthone. The investors did not participate in the management of the real estate investments.
3 Several investors have not been paid in accordance with the terms of the promissory notes.

4 5. In the offer and sale of the promissory notes and profit sharing agreements, the
5 Respondents failed to disclose material information, including, but not limited to, the general and
6 specific risks associated with the investment, obstacles to the development of the properties,
7 their experience and track record in similar ventures, and the basis and assumptions for the
8 returns that were promised.
9

10 **REGISTRATION STATUS**

11 6. The offering of the promissory notes and profit sharing agreements described above is
12 not currently, and has not previously been registered under the Securities Act, and no notice of
13 claim of exemption is on file with the Securities Administrator of the State of Washington.

14 7. Anthone is not is currently registered as a securities salesperson or broker-dealer in the
15 State of Washington and has not previously been so registered.

16 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

17 **CONCLUSIONS OF LAW**

18 1. The offer and/or sale of promissory notes and profit sharing agreements by the
19 Respondents, as set forth in the above in the Tentative Findings of Fact, constitutes the offer
20 and/or sale of a security, as defined in RCW 21.20.005(10) and (12).
21

22 2. MA Quik Framing Inc. and Laurance D. Anthone have each violated RCW 21.20.010
23 because, in connection with the offer or sale of promissory notes, they each made untrue
24 statements of material fact or omitted to state material facts necessary in order to make the
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1 statements made, in the light of the circumstances under which they were made, not
2 misleading.

3 3. MA Quik Framing Inc. and Laurance D. Anthone have each violated RCW 21.20.140,
4 the securities registration provision of the Securities Act, because they offered and/or sold
5 securities for which there was no registration on file with the Securities Administrator, and it
6 appears that they do not otherwise qualify for an exemption from registration.
7

8 4. Laurance D. Anthone has violated RCW 21.20.040, the salesperson registration
9 provision of the Securities Act, because he offered and/or sold promissory notes while not
10 registered as a securities salesperson or broker-dealer in the State of Washington.

11 **FINAL ORDER**

12 Based on the foregoing,

13 NOW, THEREFORE, IT IS HEREBY ORDERED that Respondents MA Quik Framing
14 Inc. and Laurence D. Anthone, and their agents, employees, and representatives, shall each
15 cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act.

16 It is further ORDERED that the Respondents MA Quik Framing Inc. and Laurence D.
17 Anthone, and their agents, employees, and representatives, shall each cease and desist from
18 violating RCW 21.20.140, the securities registration section of the Securities Act.

19 It is further ORDERED that Laurence D. Anthone cease and desist from violating RCW
20 21.20.040, the section of the Securities Act that requires registration of securities salespersons
21 and broker-dealers.

22 It is further ORDERED that Laurence D. Anthone order that MA Quik Framing Inc. and
23 Laurence D. Anthone shall be jointly and severally liable for and shall pay a fine in the amount
24 of \$10,000.
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1 It is further ORDERED that Laurence D. Anthon order that MA Quik Framing Inc shall be
2 jointly and severally liable for and shall reimburse the Securities Division \$5,000 in costs.

3 **AUTHORITY AND PROCEDURE**

4 This Final Order is entered pursuant to the provisions of RCW 21.20.390 and RCW
5 21.20.395. Respondents have the right to petition the superior court for judicial review of this
6 agency action under the provisions of chapter 34.05 RCW. For the requirements for filing a Petition
7 for Judicial Review, see RCW 34.050.510 and sections following.
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9 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**
10

11 Dated this 28th day of February, 2005
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13 

14

Michael E. Stevenson
15 Securities Administrator

16 Approved by:

17 

18 Martin Cordell
19 Chief of Enforcement
20

Presented by:

21 

22 Robert Kondrat
23 Financial Legal Examiner
24
25