

DENISE VOIGT CRAWFORD  
SECURITIES COMMISSIONER



JOSE ADAN TREVINO  
CHAIRMAN

NICHOLAS C. TAYLOR  
MEMBER

JOHN R. MORGAN  
DEPUTY SECURITIES COMMISSIONER

## State Securities Board

KENNETH W. ANDERSON, JR.  
MEMBER

MAIL: P.O. BOX 13167  
AUSTIN, TEXAS 78711-3167

208 E. 10th Street, 5th Floor  
Austin, Texas 78701-2407  
Phone (512) 305-8300  
FAX (512) 305-8310  
<http://www.ssb.state.tx.us>

JACK D. LADD  
MEMBER

SSB Docket No. 02-03

---

IN THE MATTER OF  
MIDAS WORLD HOLDINGS S. A.  
AND MIDAS CORPORATION

---

§  
§  
§

Order No. CDO-1448

TO: Midas World Holdings S. A.  
Bolam House  
King & George Streets  
P. O. Box N-3026  
Nassau, Bahamas

Midas Corporation  
Bolam House  
King & George Streets  
P. O. Box N-3026  
Nassau, Bahamas

### EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2002) ("Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

#### FINDINGS OF FACT

1. Midas Corporation ("Respondent Midas Corp.") is the current registrant listed with Verisign for the Internet URL: <http://www.midasventurefunds.com>, providing an address of Bolam House, King & George Streets, P.O. Box N-3026, Nassau, Bahamas. Respondent Midas Corp. has described itself as an International Business Corporation. Respondent Midas Corp. is not registered to deal in securities in Texas and has not registered any securities for sale in Texas.

2. Midas World Holdings S. A. ("Respondent Midas World") is currently listed as the administrative contact for the above-referenced Internet website at the same address. Respondent Midas World is not registered to deal in securities in Texas and has not registered any securities for sale in Texas.
3. On or about February 28, 2000, Respondent Midas Corp. and Respondent Midas World were named as Respondents in a Cease and Desist Order issued by the State of Connecticut in connection with the issuance of securities in violation of the Connecticut Uniform Securities Act, relating to the Midas Venture Fund.
4. During and about February, 2002, Respondents placed, or permitted to be placed, an advertisement on the Internet, entitled "Strategic Alliance Group A. G.," located at the following Internet URL: <http://www.midasventurefunds.com>, and sites related thereto, seeking to make available investment opportunities to the public. Respondents represent that:

You are able to take advantage of the world's best High Yield Income Ventures with total confidence.

#### Supplemental Retirement Income Program

This program requires a minimum exchange of \$20K USD and pays 3% per month simple interest. The term of this program is for 2 years, which may be renewed on your anniversary date. Your first interest payment will be paid 60 days into the program.

We are confident that after you examine not only the many tax benefits, but the simplicity of our Trust, you will find a very safe and practical vehicle for the growth and protection of your assets.

5. The Internet website fails to disclose:
  - a. Respondents defaulted on obligations issued in connection with the above-referenced Midas Venture Fund by:
    - 1) failing to pay principal to an investor after said funds were due and owing; and,
    - 2) failing to pay interest earned on such notes after interest became due.
  - b. The existence of the above-referenced Connecticut Cease and Desist Order.

### CONCLUSIONS OF LAW

1. Respondents have engaged in the offer for sale of securities in the State of Texas.
2. In connection with the offer for sale and sale of securities, the sales materials used by Respondents contain statements that are materially misleading or are otherwise likely to deceive the public and that the conduct, acts and practices alleged above threaten immediate and irreparable public harm.
3. Respondents have violated Section 7 and Section 12 of the Texas Securities Act.
4. The evidence presented by the Staff demonstrates sufficient proof of grounds necessary for the issuance of an EMERGENCY CEASE AND DESIST ORDER as provided by Section 23-2 of the Texas Securities Act.

### ORDER

1. It is therefore ORDERED by the Securities Commissioner, pursuant to Section 23-2 of the Texas Securities Act, that Respondents CEASE AND DESIST dissemination and use of advertisements and sales materials that are materially misleading or otherwise likely to deceive the public, including, but not limited to, those materials that relate to the above-referenced offer for sale of securities issued by Respondents and any advertisements or sales materials substantially similar thereto in connection with the offer for sale or sale of securities within the State of Texas.
2. It is further ORDERED that Respondents CEASE AND DESIST dealing in any manner in securities unless Respondents are registered pursuant to the provisions of Section 12 of the Texas Securities Act and the securities are registered pursuant to Section 7 of the Texas Securities Act or an applicable exemption is utilized.

### NOTICE

Under Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served. The request for a hearing must be in writing, directed to the Securities Commissioner, stating the grounds for the request to set aside or modify the order. Failure to request a hearing will result in the order becoming final and nonappealable.

Dated this 25<sup>th</sup> day of February, 2002.

  
DENISE VOIGT CRAWFORD  
Securities Commissioner