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

Texas State Securities Board

KENNETH W. ANDERSON, JR.
MEMBER

Phone: (512) 305-8300
Facsimile: (512) 305-8310

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.state.tx.us

JACK D. LADD
MEMBER

BRYAN K. BROWN
MEMBER

SSB Docket No. 03-013

**IN THE MATTER OF
INNOVATIVE CONSULTING INC.
aka INNOVATIVE CONSULTING USA
aka INNOVATIVE CONSULTING; WHITMAN &
ASSOCIATES AND JAMES BRADLEY**

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Order No. CDO-1503

TO: Innovative Consulting Inc.
aka Innovative Consulting USA
aka Innovative Consulting
Fax # 1-888-830-8004
Fax # 1-903-832-3764
e-mail: dgequity@hotmail.com
and
c/o Whitman & Associates
93 Gilford St.
London, England WC1N18
and
c/o Whitman & Associates
O.C.O. Texarkana GtdS
Texarkana, Texas 75501

Whitman & Associates
93 Gilford St.
London, England WC1N18
and
O.C.O. Texarkana GtdS
Texarkana, Texas 75501

James Bradley
Whitman & Associates
93 Gilford St.
London, England WC1N18
and
O.C.O. Texarkana GtdS
Texarkana, Texas 75501

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. 2003) ("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. Innovative Consulting Inc. aka Innovative Consulting USA aka Innovative Consulting ("Respondent ICI") purports to be an integrated financial organization that provides personal financial planning services and represents that it has a business address of 13140 Coit Road, #219, Dallas, Texas 75240-5790.

Respondent ICI provides contact toll-free phone and fax numbers 888-830-8004, 888-237-4762 and 877-435-8295, as described below. Respondent ICI provides Texas contact phone and fax numbers 903-831-7666, 903-832-3764, and 903-734-9480, as described below.

2. Whitman and Associates ("Respondent Whitman") purports to be an organization with a business address of 93 Gilford Street, London, England WC1N18, and an alternate address of O.C.O. Texarkana GtdS [sic], Texarkana, Texas 75501.
3. James Bradley ("Respondent Bradley") is the owner of Respondent Whitman and represents that he has the same business address as Respondent Whitman.

Phone and fax numbers 903-831-7666 and 903-832-3764, provided by Respondent ICI, as described below, are numbers registered to Respondents Bradley and Whitman.

4. Respondents ICI, Whitman, and Bradley are hereinafter collectively referred to as "the Respondents."
5. Respondent ICI placed, or permitted to be placed, an advertisement on the Internet located at website <http://www.innovativeconsultingusa.com> ("the ICI website"). The ICI website provides an address of 13140 Coit Road, #219, Dallas, Texas 75240-5790. The primary objective of Respondent ICI is described as assisting people for financial security by providing quality financial planning advice and products. The ICI website also represents that an expanded range of investment opportunities are offered to clients.

The website administrative contact information Respondent ICI provided to Tucows, Inc., a provider of domain name registrations used for the ICI website, lists R.J. Thompson at 7400 Metro Boulevard, Minnlapelis [sic], MI 12345, phone number 123-456-7890, and an e-mail address of dgequity@hotmail.com.

6. During November, 2002, an individual who identified himself as Richard Haskayne ("Haskayne") and another individual who identified himself as Peter Adams ("Adams") telephoned at least one China resident ("the China offeree"). Haskayne and Adams represented that they were located in Texas, that they worked for Respondent ICI and that they were calling on behalf of Respondent ICI. Haskayne and Adams then solicited an offer to buy shares of Ijoin Systems, Inc. stock owned by the China offeree at a price several times the stock's current value. Haskayne and Adams represented that Respondent ICI was interested in the shares because

Respondent ICI had an undisclosed principal who was seeking ownership of Ijoin Systems, Inc.

Haskayne and Adams referred the China offeree to Grant Forrester at the Federal Securities Registry ("FSR") in Seattle, Washington at 206-624-8899 or 206-621-8876, to verify Respondent ICI's legitimacy. The China offeree faxed a letter to the 206-621-8876 number inquiring about Respondent ICI. The China offeree was contacted soon after sending such fax by an individual who identified himself as Grant Forrester, who represented that he was an employee of the FSR and who represented that Respondent ICI was a bonafide company licensed to acquire outstanding shares.

The China offeree was faxed solicitation materials from Haskayne and a letter in which Haskayne identified himself as President and Managing Director of Respondent ICI. Haskayne provided a contact number for himself and Respondent ICI of 903-831-7666, which contains an area code for the Northeast region of Texas.

7. During February, 2003, an individual who identified himself as Peter York ("York") and another individual who identified himself as Tony Young ("Young") telephoned at least one British Virgin Islands resident ("the BVI offeree"). York and Young represented that they were located in Texas, that they worked for Respondent ICI and that they were calling on behalf of Respondent ICI. Haskayne and Adams then solicited an offer to buy shares of Production Assistance Technology ("PROTA") stock owned by the BVI offeree at a price several times its current value. York and Young represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of PROTA. York and Young also represented to the BVI offeree the following:
 - a. Respondent ICI could not buy the PROTA stock until the BVI offeree wired a fully refundable insurance deposit to Consolidated Asset Transfer Corporation for the purchase of an insurance indemnity bond. The deposit amount was to be 15% of the purchase price Respondent ICI was offering for the PROTA stock; and
 - b. The Colorado Bureau of Trades, at telephone number 720-946-3085, could verify the bond requirements.

The BVI offeree was faxed solicitation materials from York, which identified York as Senior Account Representative of Respondent ICI, and which included an agreement signed by Haskayne.

During March, 2003, the BVI offeree was contacted by a person who identified himself as Jordan Hanser, a representative of Respondent ICI, who represented that the above-described insurance indemnity bond was required because a national authority had made the deposit compulsory.

8. During February, 2003, an individual who represented himself as James Thomas ("Thomas") telephoned at least one West Indies resident ("the WI offeree"), represented that he was located in Texas, that he worked for Respondent ICI and that he was calling on behalf of Respondent ICI. Thomas then solicited an offer to buy shares of MBC stock owned by the WI offeree. Thomas represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of MBC.

Thomas also represented to the WI offeree the following:

- a. Respondent ICI could not buy the MBC stock until the WI offeree wired a fully refundable insurance deposit to Consolidated Asset Transfer Corporation for the purchase of an insurance indemnity bond. The deposit amount was to be 15% of the purchase price Respondent ICI was offering for the MBC stock; and
- b. Respondent ICI's legitimacy could be verified by phoning the State of Colorado at 720-946-3085.

The WI offeree was faxed solicitation materials from Thomas, which identified Thomas as Senior Account Representative of Respondent ICI.

9. During February, 2003, an individual who identified himself as Tony Marino ("Marino") telephoned at least one West Indies resident ("the 2nd WI offeree"), represented that he was located in Texas, that he worked for Respondent ICI and that he was calling on behalf of Respondent ICI. Marino then solicited an offer to buy shares of PROTA stock owned by the 2nd WI offeree. Marino represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of PROTA. Marino represented that Respondent ICI could not buy the PROTA stock until the 2nd WI offeree wired a fully refundable security deposit that would go to the Stock Registration Commission in Denver at 720-946-3085. The deposit amount was to be 15% of the purchase price Respondent ICI was offering for the PROTA stock. Marino faxed the 2nd WI offeree documents which further described the deposit as funds for an insurance indemnity bond.

Marino provided a contact number for himself and Respondent ICI of 903-832-3764. When the number, which has an area code for the Northeast Texas region, is called, it is answered with a recording which says "Innovative Consulting."

The 2nd WI offeree was faxed solicitation materials from Marino which identified Marino as Anthony Marino, Senior Account Representative of Respondent ICI, and included an agreement signed by Haskayne.

10. During February, 2003, Nicole Atkins ("Atkins") telephoned at least one West Indies resident ("the 3rd WI offeree"), represented that she was located in Texas, that she worked for Respondent ICI and that she was calling on behalf of Respondent ICI.

Atkins then solicited an offer to buy shares of ADC Development ("ADC") stock owned by the 3rd WI offeree. Atkins represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of ADC. Atkins also represented to the 3rd WI offeree the following:

- a. Respondent ICI could not purchase the ADC stock until the 3rd WI offeree paid \$1.50 for each share he was selling in order to have restrictions removed from the shares of stock; and
- b. The transaction could be verified by the Central Registration Department in Denver, Colorado at 720-932-9420.

The 3rd WI offeree was faxed various solicitation materials from Atkins, including wire transfer instructions. Such instructions included the following:

Bank Name: Bank Of America, Tampa, Florida USA
ABA Federal wire number: 063100277

For Final Transfer To:

Bank Name: Banco Uno Panama
Account Number: 366 481 3009
Beneficiary's Name: Consolidated Asset Transfer Corp.
Beneficiary's Account Number: 100-502-504

The solicitation materials included an agreement signed by W. B. Rutherford, Sr., Managing Director of Respondent ICI.

11. During February, 2003, Thomas telephoned at least one West Indies resident ("the 4th WI offeree"), represented that he was located in Texas, that he worked for Respondent ICI and that he was calling on behalf of Respondent ICI. Thomas then solicited an offer to buy shares of Quickcap Corp. ("QCAPA") stock owned by the 4th WI offeree at a price more than triple its current value. Thomas represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of QCAPA. Thomas represented that Respondent ICI could not buy the shares until the 4th WI offeree wired a fully refundable insurance deposit to Consolidated Asset Transfer Corporation for the purchase of an insurance indemnity bond. The deposit amount was to be 25% of the purchase price Respondent ICI was offering for the QCAPA stock.

The 4th WI offeree was faxed various solicitation materials from Thomas which included an agreement signed by Haskayne.

Based on Thomas's representations and the solicitation materials, the 4th WI offeree wired \$21,000 to the bank coordinate provided in the wire instructions. The wire instructions included the following:

Bank Name: Bank Of America, Tampa, Florida USA
ABA Federal wire number: 063100277
or SWIFT Code: BOFAUS 3M

For Further Credit To:

Bank Name: Banco Uno S.A. Panama
Account Number: 366 481 3009
Beneficiary: Consolidated Asset Transfer Corp.
Beneficiary Account Number: 1200-560-1010

During March, 2003, a person who identified himself as Brian Lehman ("Lehman") contacted the 4th WI offeree and represented that he was calling on behalf of Respondent ICI and represented that additional funds totaling \$8,430 needed to be paid by the 4th WI offeree due to offshore taxes. Lehman provided contact numbers for himself and Respondent ICI to the 4th WI offeree of 903-832-3764, 903-734-9480, and 877-435-8295, so that the 4th WI offeree could fax proof that he had wired the additional funds. Based on Lehman's representations, the 4th WI offeree wired \$8,430 to the bank coordinate provided in wire instructions faxed to the 4th WI offeree by Lehman. The wire instructions included the following:

CitiBank, New York-N.Y.-USA
021000089
GLBLPAPA

For Further Credit To:

Global Bank Corporation
360 24434

For Final Credit To:

Stock Registration Commission
22-101-174390

The cover sheet used by Lehman to fax the 4th WI offeree the above-described information identified Lehman as CEO of Respondent ICI.

When the number 903-832-3764, is called, it provides the caller with prompts that ultimately route to a recording which says "Innovative Consulting."

12. During January, 2003, Adams telephoned at least one South African resident ("the SA offeree"), represented that he was located in Texas, that he worked for

Respondent ICI and that he was calling on behalf of Respondent ICI. Adams then solicited an offer to buy shares of Raging Media, Inc. ("RGMG") stock owned by the SA offeree at a price several times its current value. Adams represented that Respondent ICI was interested in the shares because Respondent ICI had an undisclosed principal who was seeking ownership of RGMG. Adams represented that Respondent ICI could not buy the shares until the SA offeree wired a fully refundable insurance deposit in an amount equal to 15% of the purchase price Respondent ICI was offering for the RGMG stock.

The SA offeree was faxed solicitation materials from Adams which identified Adams as Senior Account Manager of Respondent ICI, included an agreement signed by Haskayne and provided the url for the ICI website. Based on Adam's representations, the SA offeree wired \$15,000 to the bank coordinate provided by Adams.

During February, 2003, Haskayne contacted the SA offeree and represented that the SA offeree had warrants attached to the RGMG stock. Haskayne offered the SA offeree the ability to exercise such warrants and solicited an offer to buy the shares resulting from the exercised warrants at a price several times their current value. Haskayne represented that Respondent ICI could not buy the resulting shares until the SA offeree wired the exercise price and an additional insurance deposit. Haskayne then faxed the SA offeree a letter detailing the above-described representations regarding the warrants.

During March, 2003, Lehman contacted the SA offeree and represented that additional funds were needed from the SA offeree due to offshore taxes. Lehman faxed to the SA offeree solicitation materials including the following wire transfer instructions for the funds due:

Bank Name: CitiBank, New York-N.Y.-USA
ABA Federal Wire Number or: 021000089
SWIFT Code: GLBLPAPA

For Further Credit To:

Bank Name: Global Bank Corporation
Account Number: 360 24434

For Final Credit To:

Beneficiary: Stock Registration Commission
Beneficiary Account Number: 22-101-174390

The SA offeree has learned that his shares in RGMG have been transferred to Respondent ICI but the SA offeree has received no proceeds from the transaction.

13. With the exception of the 3rd WI offeree and the SA offeree, the offerees described above were faxed solicitation materials by, or on behalf of, Respondent ICI which include the url for the ICI website. The agreement includes:
 - a. A description of the insurance indemnity bond requirements and the security deposit requirements detailed above; and
 - b. The representation that Respondent ICI will be entitled to deduct a commission of 2.5% from the gross purchase value that Respondent ICI will pay for the shares.
14. The 3rd WI offeree, described in Finding of Fact 10, was faxed solicitation materials from, or on behalf of, Respondent ICI which include the url for the ICI website. The agreement includes:
 - a. A description of the fully refundable penalty that must be paid due to the stock restrictions detailed in Finding of Fact 10; and
 - b. The representation that Respondent ICI will be entitled to deduct a commission of 2.5% from the gross purchase value that Respondent ICI would pay for the shares.
15. Respondents have not been registered with the Securities Commissioner as securities dealers, agents, investment advisers, or investment adviser representatives at any time material hereto and Respondents have not submitted notice filings as investment advisers or investment adviser representatives at any time material hereto.
16. The representations described above, by, and on behalf of, Respondents, made orally, in solicitation materials and on the ICI website, that Respondent ICI is located at 13140 Coit Road, #219, Dallas, Texas, is misleading because Respondents fail to disclose that Respondent ICI is not located at such address.
17. Respondents fail to disclose that Respondent ICI's website content for its "Home" and "About" sections consists almost entirely of verbatim language taken from an unassociated website without authorization.
18. The representations made by, and on behalf of, Respondents that the Colorado Bureau of Trades, the State of Colorado, the Stock Registration Commission or the Central Registration Department are government agencies that can be reached at telephone number 720-946-3085 or at telephone number 720-932-9420 are misleading because they fail to disclose that such phone numbers are not for any government agencies in the State of Colorado.
19. Respondents fail to disclose that the FSR, described in Finding of Fact 6, is also known as International Asset Registry ("IAR") which is the subject of a securities

fraud alert issued by Washington's Department of Financial Institutions' Securities Division which describes IAR as a fictitious government agency.

20. Respondents fail to disclose that many of the same employee pictures shown on the ICI website with names and titles appear on the websites of other entities located at <http://www.dgequityusa.com>, <http://www.rutherfordacq.com>, <http://www.chartwellmanagement.com> and <http://www.alphastm.com> using different names and titles to identify the pictured individual.
21. Respondents fail to disclose that the registrant information for the ICI website provided to Tucows, Inc., as described in Finding of Fact 5, includes a nonexistent physical address and a nonexistent phone number.
22. The representations made by, and on behalf of, Respondents that Respondent ICI can be reached at telephone numbers with area codes in the Northeast region of Texas, specifically, telephone number 903-832-3764 and telephone number 903-831-7666, respectively, are misleading because Respondents fail to disclose that such numbers are registered to Respondent Bradley, owner of Respondent Whitman, with business addresses in London, England and Texarkana, Texas.
23. The representation made by, and on behalf of, Respondents that Lehman and Respondent ICI can be reached at telephone number 903-734-9480, is misleading because Respondent ICI fails to disclose that such number belongs to a public pay phone located on Highway 271 S. Gilmer, Texas on the grounds of the Stampede Rodeo Arena and that such number was disconnected in 1999.
24. Respondents fail to disclose that an entity was incorporated in Texas under the name Innovative Consulting, Inc., that such entity voluntarily dissolved on March 11, 1987, and that there are no other entities currently incorporated in Texas under the name Innovative Consulting Inc. An active Texas company maintains a dba of Innovative Consulting, Inc., however, it is unrelated to Respondents.

CONCLUSIONS OF LAW

1. The above-referenced shares of stock are "securities" as that term is defined in Section 4.A of the Texas Securities Act.
2. The above-described solicitations by Respondents through its representatives constitutes an offer to buy securities and is, therefore, conduct defined in Section 4.E. of the Texas Securities Act.
3. Respondents are acting as "dealers," "agents," "investment advisers," or "investment adviser representatives" as those terms are defined in Sections 4.C and 4.D, 4.N, and 4.P of the Texas Securities Act.

4. Respondents have violated Section 12 of the Texas Securities Act by dealing in securities in Texas without being registered or having notice filed as provided in the Texas Securities Act.
5. Respondents have made offers to buy securities in Texas that contain statements that are materially misleading or are otherwise likely to deceive the public by failing to disclose material information through the use of the above-referenced representations and material non-disclosures.
6. Respondents conduct, acts and practices threaten immediate and irreparable harm to the public.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers, agents, investment advisers or investment adviser representatives in Texas until they are registered or notice filed with the Securities Commissioner or an available exemption is utilized.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from dealing in securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. 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.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 31st day of March, 2003.

Denise Voigt Crawford

DENISE VOIGT CRAWFORD
Securities Commissioner