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Texas State Securities Board

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
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SSB Docket No. 03-22

IN THE MATTER OF
GLOBAL ONE FOUNDATION (G.O.F.-U.S.A.), INC.;
GLOBAL ONE FOUNDATION (G.O.F.), INC.;
GREGORY LEE PAULSON; BEVERLY K. PAULSON;
DIANA E. MORRIS AND ADAM S. SAAB

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Order No. CDO-1513

TO: Global One Foundation (G.O.F.-U.S.A.), Inc.
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

Global One Foundation (G.O.F.), Inc.
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

Gregory Lee Paulson
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

Beverly K. Paulson
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

Diana E. Morris
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

Adam S. Saab
18352 Dallas Parkway, Suite 136-205
Dallas, Texas 75287

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. Global One Foundation (G.O.F.-U.S.A.), Inc. ("Respondent Global One") is a Texas domestic non-profit corporation whose registered agent is Diana E. Morris with a business address of 18352 Dallas Parkway, Suite 136-205, Dallas, Texas 75287.
2. Global One Foundation (G.O.F.), Inc., formerly known as Global One Foundation (G.O.F.-INT'L.), Inc., a Texas domestic non-profit corporation affiliated with Respondent Global One, with the same registered agent, business address and officers as Respondent Global One, has done business under the name of Respondent Global One since on or about January 8, 2001, and is hereinafter included in all references to Respondent Global One.
3. The following individuals are listed as officers and directors of Respondent Global One in public filings with the Texas Secretary of State, all with the same business address as Respondent Global One: Gregory Lee Paulson (Respondent G. Paulson), president, chairman, COO and director; Beverly K. Paulson (Respondent B. Paulson), secretary, CFO and director; Diana E. Morris (Respondent Morris), director of administration, treasurer and director; and Adam S. Saab (Respondent Saab), director.
4. On or about April 7, 2003, Respondents G. Paulson and B. Paulson approached at least one Minnesota resident ("the offeree") regarding the availability of an investment through Respondent Global One. The investment was described generally as a "Private Placement - Structured Buy/Sell" investment with Respondents Global One and G. Paulson acting as a "bridge" to make the investment available for the "qualified client" with upper echelon European and U.S. Banks trading in short-term securities and commercial paper transactions. The return on investment was represented by Respondents G. Paulson and B. Paulson to be up to 500% per year with no risk of loss.
5. Respondents G. Paulson and B. Paulson provided the offeree with promotional materials regarding the "Private Placement - Structured Buy/Sell" investment that had little information describing the investment itself or any risks involved in the investment; instead, a chart was provided to diagram the relationship among various parties purported to be involved in the investment, such as the Federal Reserve Bank, U.S. Treasury, Respondent Global One, top tier European banks and U.S. banks, and the qualified client. Respondents Global One and G. Paulson were described as "accredited with confidential clearance and access to assist and facilitate the special families bankable and non-bankable historical assets and private qualified clients".

6. The promotional materials provided by Respondents G. Paulson and B. Paulson required documentation to be completed by the offeree primarily regarding the offeree's own personal and banking information, including current bank statements, a copy of the offeree's passport, a non-solicitation letter required to be signed by the offeree, a non-disclosure/non-circumvention agreement required to be signed by the offeree, and other representations required to be prepared by the offeree in affidavit form affirming that his funds were "good clean" funds and detailing a three-year history of the funds. All of the materials required to be provided by the offeree appear to be the same or similar to documentation required in previous investment schemes which have been prosecuted in civil and criminal courts by the Securities Board and other law enforcement and regulatory agencies. Warnings have also been issued by the International Chamber of Commerce and the U.S. Securities and Exchange Commission regarding similar types of bank instrument programs.
7. On or about April 7, 2003, Respondents G. Paulson and B. Paulson required the offeree to submit bank account statements less than 48 hours old, the passport of the signatory on the account provided, and a signed affidavit of the past three years' history of the investment funds in order for the offeree to qualify for investment.
8. On or about April 7, 2003, Respondent G. Paulson presented the offeree with his business card as Chairman of Respondent Global One, 18352 Dallas Parkway, Suite 136-205, Dallas, Texas 75287, U.S.A., office telephone: 972-407-9355, and email: GSI55@aol.com. Respondent G. Paulson represented to the offeree that the aforementioned address is the corporate office of Respondent Global One.
9. The address, 18352 Dallas Parkway, Suite 136, Dallas, Texas 75287, is the address of Eagle Postal Centers, and Box 205 is a private mail box registered to Respondent B. Paulson. The rental agreement, dated November 16, 2000, also authorizes Eagle Postal Centers to accept mail addressed to that box for Respondent G. Paulson; Respondent Global One; World Alliance Foundation, Inc.; Global One Foundation, Inc.; and Global One Management. Respondent B. Paulson lists her address on the rental contract with Eagle Postal Centers as 18959 Dallas Parkway, Apt. 522, Dallas, Texas 75287, (972) 407-9355. Respondent Morris currently has leased Apartment 522 at 18959 Dallas Parkway, Dallas, Texas, since March, 1999.
10. Respondents G. Paulson and B. Paulson possess Minnesota driver licenses with the address 18757 575th Street, Dodge Center, MN 55927.
11. For the period from January 1, 1998, to the present, the records of the Securities Board fail to reflect that any securities issued by Respondent Global One have been registered by qualification, notification or coordination and no permit has been granted for the sale of such securities within Texas.
12. For the period from January 1, 1998, to the present, Respondents have not been registered to offer or sell securities or registered or notice-filed to render investment advice within Texas.

CONCLUSIONS OF LAW

1. The structured buy/sell transaction made available by Respondents are securities as defined by Section 4.A of the Texas Securities Act, to wit, investment contracts.
2. The above-referenced solicitation by Respondents constitutes the offer for sale of securities in and from Texas as the term "offer for sale" is defined in Section 4.E of the Texas Securities Act.
3. Respondents violated Section 7 of the Texas Securities Act by offering for sale the above-described securities without the securities being registered with the Securities Commissioner.
4. Respondents are acting as dealers or agents as those terms are defined in Sections 4.C and 4.D of the Texas Securities Act.
5. Respondents violated Section 12 of the Texas Securities Act by offering for sale securities in and from Texas without being registered or notice-filed pursuant to the provisions of Section 12 of the Texas Securities Act.
6. Respondents have made offers of securities in and from Texas that contain statements that are materially misleading or otherwise likely to deceive the public by approaching investors and providing them an opportunity to invest and then requiring the investor to acknowledge that the investments are not securities and to affirm that they were not solicited.
7. Respondents have made offers of securities in and from Texas that are materially misleading or otherwise likely to deceive the public by failing to disclose that any risk is involved in the investment.
8. Respondents' conduct, acts and practices, including their offer of securities by touting their confidential access to top-tiered European and U.S. banks, which could provide investors with up to 500% return on their investment, threatens immediate and irreparable harm to the investing public.
9. 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 offering and selling securities in and from Texas until the securities have been registered with the Securities Commissioner or an available exemption from registration is utilized.

2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities agents or dealers in Texas until they are registered or an available exemption from registration is utilized.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from making offers in Texas containing statements that are 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 non-appealable.

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 12th day of May, 2003.


DENISE VOIGT CRAWFORD
Securities Commissioner