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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. 03-030

IN THE MATTER OF
U.S. GLOBAL INVESTMENTS, INC. aka
U.S. GLOBAL INVESTMENT, INC.
AND LAWRENCE GEORGE BURKE aka
GEORGE BURKE

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Order No. CDO-1522

TO: U.S. Global Investments, Inc.
aka U.S. Global Investment, Inc.
2346 Charles Street
Dallas, Texas 75228
and
P. O. Box 180310
Dallas, Texas 75218-0310

Lawrence George Burke
aka George Burke
2346 Charles Street
Dallas, Texas 75228
and
P. O. Box 180310
Dallas, Texas 75218-0310
and
9927 Galway Drive
Dallas, Texas 75218

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. U.S. Global Investments, Inc. aka U.S. Global Investment, Inc. ("Respondent US Global") purports to be a Nevada corporation with headquarters in Texas that invests in apartment buildings and auto rental companies. Respondent US Global represents that it has business and mailing addresses of 2346 Charles Street, Dallas, Texas 75228 and P. O. Box 180310, Dallas, Texas 75218.

2. Lawrence George Burke aka George Burke ("Respondent Burke") is listed with registrar NAMES4EVER as the administrative, technical and billing contact for the URL www.certificateofinvestment.com ("the US Global website"), with an address of U.S. Global Investment, Inc., P. O. Box 180310, Dallas, Texas 75218-2856, a telephone number of (214) 321-8227 and a fax number of (214) 328-8028.
3. There is no record with the Nevada Secretary of State or with the Texas Secretary of State of a domestic or foreign business entity doing business under the name U.S. Global Investments, Inc. or U.S. Global Investment, Inc.
4. During and about June, 2003, and July, 2003, Respondent US Global and Respondent Burke (collectively "Respondents") placed, or caused to be placed, an advertisement in the business section of *The Dallas Morning News* seeking to make investment opportunities available to the public, to wit:

CD Not Paying
enough?
Earn 6% to 8%
guaranteed
www.certificateofinvestment.com

5. Respondents placed, or caused to be placed, an advertisement on the Internet located at the US Global website seeking to make available investment opportunities to the public. Respondents represented that investing in a Certificate of Investment would provide a "minimum of 6% per year interest guaranteed and the opportunity to double your initial investment."
6. Respondents offered on the US Global website four types of Certificates of Investment and displayed copies of each type. Each offer contained the statement: "This Certificate shall be backed by the full assets of the corporation from which this Certificate of Investment is issued."
7. Respondents further represented on the US Global website that:
 - a. The One Year Certificate of Investment is callable and provides 6% interest per annum;
 - b. The Three Year Certificate of Investment is callable and convertible and provides 6.25% interest per annum, plus the opportunity to convert the Certificate of Investment into the purchase of Respondent US Global stock;
 - c. The Five Year Certificate of Investment is non-callable and convertible and provides a 7.5% interest per annum, plus the opportunity to convert the Certificate of Investment into the purchase of Respondent US Global stock; and

- d. The Ten Year Certificate of Investment is non-callable and convertible and provides an 8% interest per annum, plus the opportunity to convert the Certificate of Investment into the purchase of Respondent US Global stock. The Ten Year Certificate of Investment will double in value if interest is left to accumulate.
8. Respondents further represented on the US Global website that:
 - a. Respondent US Global, the parent company, is a Nevada corporation headquartered in Texas. Founded in 2002 by a C.E.O. that has a forty year history of heading up national corporations, it primarily invests in multi-family real estate and high return auto rental companies;
 - b. Investors are guaranteed a minimum of six to eight percent per annum on their investment;
 - c. A Board of Directors selects corporate investments that provide a return in the 20% range;
 - d. An extra benefit of the three, five, and ten year Certificates of Investments is the option to convert the face value of the Certificate of Investment into stock in Respondent US Global, at the price that the stock was selling for, on the date when the Certificate of Investment was purchased; and
 - e. All Certificates of Investment are backed by the full value of Respondent US Global and each of its subsidiaries as it acquires new companies.
 9. The US Global website directed investors to mail payment, in multiples of \$10,000, by credit card, certified or cashier's check, to US Global Investments, Inc. at 2346 Charles Street, P. O. Box 180310, Dallas, Texas 75218.
 10. In or about June, 2002, Respondent Burke, on behalf of Respondent US Global, offered to at least one Texas resident ("Offeree"), through telephone and fax solicitations, investments described as Certificates of Investment, some with stock options, in Respondent US Global.
 11. Respondent Burke represented to the Offeree that Respondent US Global was headquartered in Dallas and had 30-40 associates throughout the United States locating investment properties. Respondent Burke further represented that Respondent US Global purchased financially distressed apartment buildings, refurbished and leased the property to tenants. Respondent Burke further represented that Respondent US Global purchased interests in automobile companies.
 12. Respondent Burke offered Certificates of Investment to the Offeree, explaining that the callable 1-Year certificate paid 6% interest, the callable 3-Year certificate paid 6.5% interest and provided stock options, the non-callable 5-Year certificate paid

7.5% interest and provided stock options, and the non-callable 10-Year certificate paid 8% interest and provided stock options.

13. Respondent also represented to the Offeree the following:
 - a. That Respondent US Global guaranteed the 6-8% interest on each Certificate of Investment;
 - b. That Respondent US Global already had many investors and was expecting to obtain 1000 investors by August;
 - c. That Respondent US Global had been around a long time; and
 - d. That Respondent US Global's stock was currently valued at \$5 per share.
14. No securities issued by Respondent US Global have been registered by qualification, notification or coordination and no permit has been granted for the sale of such securities in Texas by the Securities Commissioner at any time material hereto.
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. Respondents failed to disclose that Respondent US Global is not authorized through the Texas Secretary of State to conduct business in Texas as a domestic or foreign corporation.
17. Respondents failed to disclose that Respondent US Global is not authorized through the Nevada Secretary of State to conduct business in Nevada as a domestic or foreign corporation.
18. Representations made by Respondents, that the Certificates of Investment are guaranteed by the assets of Respondent US Global, are misleading in light of the fact that Respondents fail to disclose information regarding US Global's assets and capitalization.
19. Representations made by Respondents on the US Global website regarding its Nevada incorporation, Texas headquarters, subsidiaries, assets, board of directors, and stock are misleading in light of the fact that Respondent US Global is not a corporation authorized to do business in Texas or Nevada.
20. Representations made by Respondent Burke to the Offeree regarding Respondent US Global's business history, its investor status, its stock value, and its guaranteed

return to investors were misleading in light of that fact that Respondent US Global was not authorized to do business as a corporation in Texas or Nevada.

CONCLUSIONS OF LAW

1. Respondents' Certificate of Investment program is a security, as that term is defined in Section 4.A of the Texas Securities Act, to wit: stock, investment contracts, notes and evidences of indebtedness.
2. The above-described solicitations by Respondents, through newspaper and website advertisements and verbally to a Texas resident, constitute the offer for sale of securities in 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 in Texas without the securities being registered with the Securities Commissioner.
4. Respondents are acting as "dealers" in securities or "agents" of dealers in securities, as those terms are defined in Sections 4.C and 4.D of the Texas Securities Act.
5. Respondents have violated Section 12 of the Texas Securities Act by offering for sale securities in Texas without being registered pursuant to the provisions of the Texas Securities Act.
6. Respondents have made offers to sell securities in Texas containing statements that are materially misleading or are otherwise likely to deceive the public by publishing advertisements and guarantees in *The Dallas Morning News* and on www.certificateofinvestment.com that fail to disclose that Respondent US Global is not authorized to conduct business in Texas or in Nevada, and that fail to disclose Respondent US Global's assets and capitalization backing the guarantees.
7. Respondent Burke has made an offer to sell securities in Texas containing statements that are materially misleading or are otherwise likely to deceive the public by orally describing US Global's corporate history, stock price, investor status, and corporate guarantees while failing to disclose that Respondent US Global is not authorized to conduct business in Texas or in Nevada, and while failing to disclose Respondent US Global's assets and capitalization.
8. Respondents' conduct, acts and practices threaten immediate and irreparable harm to the 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 securities to Texas residents 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 dealers or agents in Texas until they are registered with the Securities Commissioner or an available exemption is utilized.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering for sale securities in Texas through the use of 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 28th day of July, 2003.


DENISE VOIGT CRAWFORD
Securities Commissioner