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Texas State Securities Board

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IN THE MATTER OF
NATIONAL FOUNDATION OF AMERICA;
RICHARD K. OLIVE; KENNY MARKS;
MARK GINSBERG; AND ANTHONY
HEUERMANN

§
§
§
§
§

Order No. ENF-07-CDO-1629

TO: National Foundation of America
1308 Buckingham Circle
Franklin, TN 37064

Richard K. Olive
1308 Buckingham Circle
Franklin, TN 37064

Kenny Marks
1308 Buckingham Circle
Franklin, TN 37064

Mark Ginsberg
2425 N. Central Expressway, Suite 359
Richardson, TX 75080

Anthony Heuermann
28411 Woodsons Lake
Spring, TX 77386

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. 2006) ("Texas Securities Act").

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

FINDINGS OF FACT

1. National Foundation of America ("Respondent NFOA") maintains a last known address at 1308 Buckingham Circle, Franklin, Tennessee 37064.

2. Richard K. Olive ("Respondent Olive") is the President of Respondent NFOA and maintains a last known address at 1308 Buckingham Circle, Franklin, Tennessee 37064.
3. Kenny Marks ("Respondent Marks") is the Vice-President of Respondent NFOA and maintains a last known address at 1308 Buckingham Circle, Franklin, Tennessee 37064.
4. Mark Ginsberg ("Respondent Ginsberg") maintains a last known address at 2425 N. Central Expressway, Suite 359, Richardson, Texas 75080.
5. Anthony Heuermann ("Respondent Heuermann") maintains a last known address at 28411 Woodson Lake, Spring, Texas 77386.
6. Respondents are offering for sale and selling in Texas the NFOA Tax Deductible Installment Plan. Respondents represent that investors can purchase the NFOA Tax Deductible Installment Plan either with cash or by transferring 'title to their annuities, real estate or securities to Respondent NFOA. Respondents further represent that Respondent NFOA will pay investors guaranteed, fixed returns over a fixed term and further represent that the investment will entitle investors to tax savings pursuant to Sections 501(c)(3) and 453 of the Internal Revenue Code ("IRC").
7. The NFOA Tax Deductible Installment Plan has not been registered by qualification, notification or coordination and no permit has been granted for its sale in Texas.
8. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.
9. In connection with the offer for sale and sale of the above-described NFOA Tax Deductible Installment Plan, Respondents are intentionally failing to disclose the following material facts:
 - a. The risks related to the purchase of the NFOA Tax Deductible Installment Plans; and
 - b. Information regarding the assets, liabilities, profits, losses, cash flow, and other financial data of Respondent IVFOA.
10. In connection with the offer for sale and sale of the above-described NFOA Tax Deductible Installment Plan, Respondents NFOA and Olive are intentionally failing to disclose the following material facts:
 - a. Respondents NFOA and Olive are the subjects of an Order to Cease and Desist issued by the Insurance Commissioner of the State of Washington

on September 18, 2006, In the Matter of National Foundation of America, Richard K. Olive and Susan L. Olive, Order No. D06-245;

- b. That Respondent NFOA has not been granted recognition under IRC § 501(c)(3); and
 - c. The financial and professional experience of Respondent Olive.
11. In connection with the offer for sale of the above-described NFOA Tax Deductible Installment Plan, Respondents Marks, Heuermann and Ginsberg represent that Respondent NFOA has been recognized as a tax-exempt charitable organization under IRC § 501(c)(3), which is materially misleading or otherwise likely to deceive the public in light of the fact that Respondent NFOA has not been granted such recognition.
12. In connection with the offer for sale of the above-described NFOA Tax Deductible Installment Plan, Respondents represent that it is generally defined in IRC § 453, which is materially misleading or otherwise likely to deceive the public, in light of the fact that this section of the IRC deals solely with the installment method of accounting for income tax purposes.
13. In connection with the offer for sale of the above-described NFOA Tax Deductible Installment Plan, Respondents represent that the NFOA Tax Deductible Installment Plan is "guaranteed," which is materially misleading or otherwise likely to deceive the public because Respondents do not disclose the nature of the guarantee or the assets used to ensure the guarantee.

CONCLUSIONS OF LAW

1. The above-described NFOA Tax Deductible Installment Plan is a "security" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents are violating Section 7 of the Texas Securities Act by offering for sale and selling securities in Texas at a time when the securities were not registered with the Securities Commissioner.
3. Respondents are violating Section 12 of the Texas Securities Act by offering for sale and selling securities in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale and sale of securities.
5. Respondents have made offers containing statements that are materially misleading or otherwise likely to deceive the public.

6. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
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 offering for sale and selling any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale and sale of any security in Texas.
4. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering for sale 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, and state 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 such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 18th day of May, 2007.

A handwritten signature in cursive script that reads "Denise Voigt Crawford".

DENISE VOIGT CRAWFORD
Securities Commissioner