

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
THOMAS L. ANDERSON,
BARBARA E. ANDERSON,
ANTHONY HEPPNER and
SKYWARD GROUP,

PETITION FOR ORDER
(SUMMARY)

Respondents.

File No. S-01059(EX)

The staff of the Bureau of Registration and Enforcement of The Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. Thomas L. Anderson ("TAnderson") is an individual, with a last known address of 4505 Cameron Street, Eau Claire, Wisconsin 54703.

2. Barbara E. Anderson ("BAnderson") is an individual, with a last known address of 4505 Cameron Street, Eau Claire, Wisconsin 54703.

3. Anthony Heppner ("Heppner") is an individual, with a last known address of 221 Cty Road 86, Theilman, Minnesota 55945.

4. Skyward Group is a business entity, with a last know business address of 3789 Gateway Drive, PMB #160, Eau Claire, Wisconsin 54701.

5. TAnderson at all times material hereto has been Treasurer of Skyward.

6. BAnderson at all times material hereto has been Secretary of Skyward.

7. Heppner at all times material hereto has been an Administrator of Skyward.

8. During at least February and March 1999, TAnderson, through agents, sold to at least one person in Wisconsin the opportunity to become a member of an investment club.

9. The Skyward Group Membership Application ("Application") required each member to pay an \$80 (eighty) annual membership fee.

10. As a member of Skyward, each member is allowed to "loan" money to Skyward.

11. The Skyward Group Loan Agreement (the "Agreement") required the investment of a minimum of \$1,000, payable to Skyward Group by money order or cashier's check.

12. The Agreement stated “the lender, a member of the SKYWARD GROUP, understand this to be a no interest, unsecured, unsolicited loan of (\$____) Federal Reserve Notes (FRN’s) with no guarantee of earnings, and that any anticipated return is purely on a ‘best efforts’ basis. This loan is for a minimum of 3 months and a maximum of 12 months from the date shown below.”

13. Upon information and belief, updates received by investors after signing loan agreements stated the money was being used for offshore banking and debit cards.

14. Upon information and belief, agents known as “mentors” did the solicitation of the Agreement. Mentors would receive a certain percentage of the value of loans they solicit that would be added to the value of the mentor’s account.

15. Upon information and belief, information received by a person in Wisconsin stated his investment could yield 0-40% per month return.

16. Upon information and belief, a mentor told a person in Wisconsin his \$1,000 loan would rollover into \$20,000.

17. Pursuant to the Agreement received by the person in Wisconsin, investors will play a passive role in the Program, with all duties and responsibilities being performed by persons other than the investor.

18. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the investment offered by the Respondents is an investment contract as defined by DFI-Sec 1.02(6)(a), Wis. Adm. Code, and is therefore a security as defined by sec. 551.02(13), Wis. Stats.

19. The investment, described above, constitutes a security as that term is defined in sec. 551.02(13)(a), Wis. Stats.

20. The security described above has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

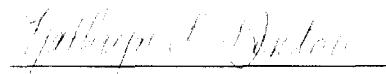
21. Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

22. Upon information and belief, funds received from the person in Wisconsin were used for purposes other than for business expenses.

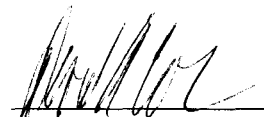
23. Respondents failed to disclose to the person in Wisconsin that the funds were to be used for purposes other than business expenses.

24. Respondents have violated sec. 551.41(2), Wis. Stats., by making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached order pursuant to Ch. 551, Wis. Stats.

 4/22/03

Kathryn L. Denton Date
Examiner
Enforcement Unit

 4/23/03

David A. Cohen Date
Supervising Attorney
Enforcement Unit

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
SKYWARD GROUP,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-01059(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors.

Therefore, pursuant to secs. 551.60(a) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Skyward Group, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Skyward Group, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by on its behalf, are hereby revoked.
- c. Skyward Group, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized on its behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.

EXECUTED at Madison, Wisconsin, this 13th day of May, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE:

Under sec. 551.61(2), Wis. Stats., within thirty (30) days after any Order has become effective without a hearing, any interested party may file a written request with the Administrator of the Division of Securities for a hearing in respect to any matters determined by the Order. A request for hearing shall be in the form of a petition for hearing and shall, under section SEC 8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
THOMAS L. ANDERSON,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-01059(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors.

Therefore, pursuant to secs. 551.60(a) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Thomas L. Anderson, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Thomas L. Anderson, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by on his behalf, are hereby revoked.
- c. Thomas L. Anderson, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized on his behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.

EXECUTED at Madison, Wisconsin, this 13th day of May, 2003.

(SEAL)



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Administrator
Division of Securities

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BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
BARBARA E. ANDERSON,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-01059(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors.

Therefore, pursuant to secs. 551.60(a) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Barbara E. Anderson, her agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on her behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Barbara E. Anderson, her agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on her behalf, are hereby revoked.
- c. Barbara E. Anderson, her agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized on her behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.

EXECUTED at Madison, Wisconsin, this 13th day of May, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
ANTHONY HEPPNER,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-01059(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors.

Therefore, pursuant to secs. 551.60(a) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Anthony Heppner, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Anthony Heppner, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by on his behalf, are hereby revoked.
- c. Anthony Heppner, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized on his behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.

EXECUTED at Madison, Wisconsin, this 13th day of May, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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