

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF: DBSI SECURITIES  
CORPORATION**  
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**FILE NO. 0400230**

**CONSENT ORDER OF DISMISSAL**

**TO THE RESPONDENT:**            DBSI Securities Corporation  
  (B/D #: 11687)  
  1550 S. Tech Lane  
  Meridian, Idaho 83642

C/o Mark A. Ellison  
Attorney at Law  
Moffatt Thomas Barrett Rock & Fields, Chartered  
101 So. Capital Blvd., 10<sup>th</sup> Floor  
Boise, Idaho 83702

WHEREAS, Respondent on the 8th day of November 2004 executed a certain Stipulation to Enter Consent Order of Dismissal (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated September 23, 2004, in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Dismissal ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, that the following allegation contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a dealer in the State of Illinois pursuant to Section 8 of the Act.

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2. That Section 8B(9)(a) of the Act requires that each dealer registered in the State of Illinois file a "Designated Principal(s) Form" (DPF) with the secretary of State by December 31 of the current year for the next calendar year.
3. That the Respondent failed to file the DPF by December 31, 2003.
4. That on June 8, 2004 the Department sent a letter to the Respondent by means of certified mail, return receipt requested its failure to file the DPF. The letter reminded the Respondent of it's failure to file the DPF and that it owed \$50.00 as a late filing fee.
5. That the Respondent received the above-referenced letter on June 14, 2004.
6. That the Respondent has refused and continues to refuse to file the DPF and pay the late fee.
7. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in accordance with the provisions of the Act.
8. That section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Actor any rule or regulation made by the Secretary of State pursuant to the Act.
9. That by virtue of the foregoing, the Respondent has committed a violation of Sections 12.A and 12.D of the Act.
10. That Section 8.E(1)(g) of the Act provides that the registration of a dealer may be revoked if it has violated any of the provisions of this Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's registration as a dealer in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(g) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agree that:

1. it has submitted the "Designated Principal(s) Form" (DPF) with the executed Stipulation; and

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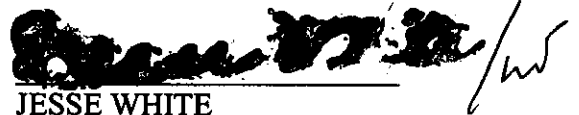
2. that it has submitted with the executed Stipulation the sum of One Thousand Five Hundred Dollars (\$1,500.00) to the Office of the Secretary of State representing the required filing fee and the penalty for filing the form late.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. The Notice of Hearing dated September 23, 2004 is dismissed.
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 9<sup>th</sup> day of November 2004.

  
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JESSE WHITE  
Secretary of State  
State of Illinois