

STATE OF INDIANA  
OFFICE OF THE SECRETARY OF STATE  
SECURITIES DIVISION

IN THE MATTER OF:  
  
RESCISSION OFFERS

ORDER NO. 01-0063 AO

**FILED**  
MAR 08 2001

**ORDER**

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Comes now Bradley W. Skolnik, Indiana Securities Commissioner, and, pursuant to the authority vested in him by the Indiana Securities Act at IC 23-2-1-15, orders:

1. The terms of this order shall apply to all rescission offers.
2. Every rescission offer shall be in writing. The exact text of the rescission offer shall be submitted to, and approved, by the Securities Commissioner prior to the mailing of the rescission offer to subscribers.
3. Every rescission offer shall be worded so that the subscriber answers affirmatively whether the subscriber either accepts or rejects the offer. The rescission offer shall be accompanied by a separate form that subscribers shall fill out and return to indicate their acceptance or rejection of the offer.
4. The rescission offer shall be mailed to the address of the subscriber that appears on the books of the transfer agent, or, if there is no transfer agent, the address that appears on the books of the issuer.
5. A subscriber shall have thirty (30) days from the date of receipt of the rescission offer (the "acceptance period") to accept or reject the offer. An acceptance or rejection of the rescission offer shall be effective upon mailing by the subscriber.

6. If a subscriber fails to respond to the rescission offer within thirty (30) days from the date of receipt of the offer, the investment shall be deemed rescinded.

7. During the acceptance period, no additional communications, other than reminders that the rescission letter be returned, may be initiated by the issuer or its agents with any subscribers to whom the rescission offer is being made.

8. At the close of the acceptance period, the issuer shall file with the Securities Commissioner, a report containing the following information:

- (a) The date on which the rescission offer commenced;
- (b) The date on which the acceptance period ended;
- (c) The number of subscribers to whom the rescission offer was made;
- (d) The number of subscribers who accepted the rescission offer;
- (e) The number of shares rescinded; and
- (f) The amount paid or refunded to subscribers in connection with the rescission offer.

9. Unless otherwise ordered by the Securities Commissioner, all payments to be made to subscribers in connection with the rescission offer shall be made by the issuer or its agents within thirty (30) days from the close of the acceptance period.

10. Resumption of offers and/or sales shall not take place until the Securities Commissioner so orders.

11. This Order repeals, vacates and supersedes Administrative Order No. 90-0019 AO, entered on March 1, 1990.

APPROVED AND SO ORDERED this 8th day of March, 2001.



SUE ANNE GILROY  
SECRETARY OF STATE

BRADLEY W. SKOLNIK  
INDIANA SECURITIES COMMISSIONER