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

In the Matter of
TOM R. MILLER
and GIDEON GROUP

Respondents.

PETITION FOR ORDER
(SUMMARY)

File S-00091(EX)

The staff of the Enforcement Unit, Registration & Enforcement Section, 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. **Tom R. Miller** ("Miller") is an individual, with a last known business address of Gideon Group, 42142 Big Bear Boulevard, Big Bear Lake, CA 92315.

2. **Gideon Group** ("Gideon") is a foreign business entity, with a last known business address of First Mountain Bank, 42142 Big Bear Boulevard, Big Bear Lake, CA 92315.

3. Miller at all times material hereto has been "trustee" of Gideon.

4. On or about February 23, 1998, Miller offered to at last one person in Wisconsin the opportunity to invest by way of a Venture Capital Agreement in Gideon ("Agreement").

5. The Agreement promised a return on the investment of 125% after sixty (60) days.

6. The repayment of interest and principal is now in default and the investor has been unable to contact Miller regarding repayment of his investment.

7. Pursuant to the offering materials 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.

8. 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.

9. The investment described in paragraphs 4 and 5 above, constitutes a security as that term is defined in sec. 551.02(13)(a), Wis. Stats.

10. The security described in paragraphs 4 and 5 above has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

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

Kathryn L. Denton  Date
Examiner
Enforcement Unit

David A. Cohen  Date
Supervising Attorney
Enforcement Unit