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

In the Matter of
RESOURCE DEVELOPMENT INTERNATIONAL, LLC, and
DAVID E. EDWARDS,
Respondents.PETITION FOR ORDER

File No. S-02002(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. Resource Development International, LLC (hereinafter referred to as “RDI”) is a Nevada
limited liability company with a last known business address of 251 Jeanell Drive, Suite 3,
Carson City, Nevada 89703;

2. David E. Edwards (hereinafter referred to as “Edwards”) is an individual, who, upon
information and belief, at all times material hereto was the owner and controlling person of RDI;

3. Edwards has a date of birth of October 8, 1957 and a CRD number of 2200092, and upon
information and belief was licensed as a securities agent from 1991 to 1998, and has a last
known home address of 4031 Alturas W., Tacoma, Washington 98466, and a last known
business address at that of RDI;

4. Upon information and belief, during the period of 2000, RDI and Edwards offered and
sold to at least one person in Wisconsin interests in so-called high yield bank-trading programs
(hereinafter referred to as “the programs”);

5. The investment is described in two documents entitled “Joint Venture Agreement”
provided by the person in Wisconsin to the Division, signed by the person in Wisconsin and
Edwards, the Joint Venture Manager, on behalf of RDI on February 9, 2000 and May 8, 2000;

6. According to the Joint Venture Agreement documents referred to above, “…the JV
MANAGER has knowledge of investment programs, loan sources and associated consultants to
effect an International Restricted Private Placement Program, …” and “…the Investor by
separate agreement has its own investment of funds…” “…the JV MANAGER and INVESTOR
desire to enter into this CONTRACT for the purpose of initiating a Restricted Private Placement
Program.;”

7. Upon information and belief, investors will play a passive role in the programs with no
duties and responsibilities;

8. Upon information and belief, each investor will not be involved in the day-to-day
management of the programs, since there are too many investors for them to each have any
meaningful input, they do not have the expertise or experience necessary to perform its duties
and the contract gives all responsibilities to RDI;

9. 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 investments in the
programs offered by the respondents are investment contracts as defined by section DFI-Sec.
1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.;

9. The investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.;

10. The Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities in Wisconsin; and

11. The Staff of the Division of Securities sent an inquiry letter to Edwards at RDI dated January 2, 2002, for information and documents concerning their securities-related transactions with persons in Wisconsin, but to date have received no response.

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.

Mark E. Dorman
Examiner
Enforcement Unit

Date
2/22/02

David A. Cohen
Supervising Attorney
Enforcement Unit

Date
2/23/02