

STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF BANKING, SECURITIES, AND CORPORATIONS  
P.O. BOX 110807  
JUNEAU, ALASKA 99811-0807

In the Matter of: )  
)  
Nu Life Investment Technology, )  
and Ken Fisher, its senior ) Alaska Order No. 02-04 S  
representative, )  
)  
Respondents. )

**FINAL ORDER TO CEASE AND DESIST  
AND IMPOSING CIVIL FINE**

**FACTUAL ALLEGATIONS**

1. The Division of Banking, Securities, and Corporations (division) within the Department of Community and Economic Development is charged with enforcement of the Alaska Securities Act (Act).

2. The Respondent company, Nu Life Investment Technology (Nu Life), has a Miami, Florida, address and also an address in Porlamar, Venezuela. The working address for Ken Fisher, senior representative, is unknown, but is probably the Florida address: Nu Life NetZone 116, 7801 N.W. 37<sup>th</sup> Street, Miami, FL 33166-6559.

3. On June 9, 2001, Ken Fisher contacted E. R. and AL. R., an Anchorage couple in their eighties, and inveigled them to give Fisher their credit card number in order to receive a membership in British Premium Bond Program. Fisher charged \$2,995.53 to the card. The Rs' daughter-in-law contacted Visa on their behalf and apparently had the transaction reversed.

4. This scheme constitutes a security under Alaska law for the following reasons:

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- a. the scheme uses the name Nu Life Investment Technology and uses the term "investment" in several places;
- b. whether or not genuine, the scheme purports to sell "bonds" to its victims, and bonds are clearly securities;
- c. despite the first two factors, the scheme is an investment contract under the definition enunciated in *Securities & Exch. Comm'n v. W. J. Howey Co.*, 328 U.S. 293, 299, 66 S.Ct. 1100, 1103 (1946); this definition states:

[An investment contract is] a contract, transaction or scheme whereby a person invests his money in a common enterprise and is led to expect profits solely from the efforts of the promoter or some third party."

5. The Act at AS 45.55.070 requires all securities sold in Alaska to be registered with the division, unless exempt.

6. A check of division records revealed that Respondents at no time registered in Alaska or applied for an exemption for this sale.

7. The Act at AS 45.55.010 forbids the use of a device, scheme, or artifice to defraud.

8. The materials received by the Rs. contain several instances of the use of fraudulent statements that tout their program. Nu Life says their investment program has grown "to be one of the most appreciated bonds in the world" without substantiation. Nu Life states that their "Senior Representative is looking forward to guiding [the Rs.] towards the Millionaires Circle" implying that investment in the program guarantees a member becoming a millionaire.

9. The Act at AS 45.55.030 forbids a person acting as an agent in this state unless registered.

10. A check of division records reveals no registration as an agent for Ken

1 Fisher.

2 **CONCLUSIONS OF LAW**

3 11. Nu Life purports to be a program in which all memberships include  
4 ownership of "Premium Bonds" to be held by the company acting on behalf of bond owners,  
5 and winnings are to be directed to bond owners by the senior representative of Nu Life.  
6 Thus, it is an investment of money in a common enterprise which depends for its success  
7 on the actions of a third party. It is, therefore, an investment contract and a security subject  
8 to the Alaska Securities Act.

9 12. Nu Life is a security, subject to the Alaska Securities Act, and at no time  
10 received a registration or exemption in Alaska. Therefore, the sale of memberships in the  
11 Nu Life Investment Technology program is a sale of unregistered securities in violation of  
12 AS 45.55.070. The sales were effected by an unregistered agent of Nu Life.

13 13. By selling securities that are unregistered, Respondent Nu Life has violated  
14 the Act. AS 45.55.920(c) provides for a fine of not more than \$500 for a single violation of  
15 the Act.

16 14. In selling unregistered securities, Respondent Fisher acted as an  
17 unregistered agent making sales of unregistered securities. AS 45.55.920(c) provides for a  
18 fine of not more than \$500 for a single violation of the Act.

19 15. In using a device, scheme, or artifice to defraud, Nu Life has violated the Act.  
20 AS 45.55.920(c) provides for a fine of not more than \$500 for a single violation of the Act.

21 **LAW**

22 **See Appendix "1" attached and made part hereof for a recitation of the statutes and**  
23 **regulations cited in this Order.**

1 **ORDER AND CIVIL FINE**

2 16. Under AS 45.55.920(a)(1), based on the facts alleged in this Order, the  
3 Administrator finds that Respondent Nu Life and Respondent Fisher have engaged in  
4 violations of the Alaska Securities Act and that it is in the public interest to issue this Order.

5 17. Under AS 45.55.920(a)(1)(A), Respondent Nu Life and Respondent Fisher  
6 are ordered to cease and desist from selling unregistered securities and from all other  
7 unlawful acts and practices. Respondents are also ordered to cease and desist from any  
8 future violation of the Alaska Securities Act.

9 18. Under AS 45.55.920(c), Respondent Nu Life is fined \$500 for each violation  
10 of AS 45.55.010, AS 45.55.030, and AS 45.55.070, for a total fine of \$1,500.

11 19. Under AS 45.55.920(c), Respondent Fisher is fined \$500 for each violation of  
12 AS 45.55.010, AS 45.55.030, and AS 45.55.070, for a total fine of \$1,500.

13 20. Under AS 45.55.920(d), this Cease and Desist Order is made the Final Order  
14 of the Administrator as no hearing under 3 AAC 08.930(a) was requested within 15 days  
15 after receipt of the Temporary Order that was served on the Respondents on July 18, 2001.

16 Entered at Juneau, Alaska this 28<sup>th</sup> day of September, 2001.

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18 !e! 8dS ] [ Fz7/VWd  
19 Franklin T. Elder  
20 Administrator of Securities

21 Contact Person:  
22 Vincent L. Usera  
23 Senior Securities Examiner  
24 (907) 465-2521  
25

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