

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
OF THE STATE OF TENNESSEE AT NASHVILLE**

|                                      |   |                          |
|--------------------------------------|---|--------------------------|
| <b>TENNESSEE SECURITIES DIVISION</b> | ) |                          |
|                                      | ) |                          |
| <b>Petitioner,</b>                   | ) |                          |
|                                      | ) |                          |
| <b>VS.</b>                           | ) |                          |
|                                      | ) | <b>File No.: 00-0006</b> |
| <b>CAPITAL PLUS WORLDWIDE</b>        | ) |                          |
| <b>FINANCIAL SERVICES, INC.;</b>     | ) |                          |
| <b>RICARDO ALKEALOHA GANT; and</b>   | ) |                          |
| <b>ANITA MCNEIL GANT</b>             | ) |                          |
|                                      | ) |                          |
| <b>Respondents.</b>                  | ) |                          |
|                                      | ) |                          |

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**ORDER TO CEASE AND DESIST**

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This Order issues as a result of a Petition and its exhibits attached hereto filed by the Tennessee Securities Division of the Department of Commerce and Insurance and is predicated upon the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

1. Capital Plus Worldwide Financial Services ("Capital Plus") is a Tennessee corporation currently offering and/or selling securities from or in the State of Tennessee. Capital Plus maintains its principal place of business at 3865 Viscount, Suite #5, Memphis, Tennessee 38118.
2. Ricardo Alkealoha Gant ("R. Gant") (CRD #2847660) is the President of Capital Plus. R. Gant is currently offering and/or selling securities from or in the State of Tennessee. R. Gant maintains his business address at 3865 Viscount, Suite #5, Memphis, Tennessee 38118.

3. Anita McNeil Gant ("A. Gant") is the wife of R. Gant and an employee of Capital Plus. A. Gant is currently offering and/ or selling securities from or in the State of Tennessee. A. Gant maintains her business address at 3865 Viscount, Suite #5, Memphis, Tennessee 38118.

4. Capital Plus maintains an Internet website located at <http://www.capitalcan.com>. From this website, Capital Plus advertises its broker-dealer services and represents itself as providing expertise in the securities business to clients. The mailing/ office address provided on the website is 3865 Viscount, Suite #5, Memphis, Tennessee 38118. Additionally, the Respondent R. Gant uses public speaking appearances in Tennessee to advertise the broker-dealer services of Capital Plus.

5. Capital Plus Worldwide Financial Services, Inc. is not currently, nor has the company ever been registered with the Division pursuant to the Tennessee Securities Act of 1980, as amended. Moreover, Capital Plus has never registered a securities offering with the Division.

6. R. Gant is not currently, nor has he ever been registered with the Division pursuant to the Tennessee Securities Act of 1980, as amended. Moreover, R. Gant has never registered a securities offering with the Division.

7. A. Gant is not currently, nor has she ever been registered with the Division pursuant to the Tennessee Securities Act of 1980, as amended. Moreover, A. Gant has never registered a securities offering with the Division.

8. The "Joint Venture Partnership Program" sold by Capital Plus, R. Gant and A. Gant, which is alternatively referred to as a "high-yield program," "bank debentures," or "private placements," is an investment contract and therefore, a security.

9. The Respondents Capital Plus, R. Gant and A. Gant are presently and will continue to offer and/or sell unregistered securities, without the proper registration, from or in the State of Tennessee. As result of this activity the public will suffer immediate and irreparable injury, loss or damage.

10. The Respondents, in connection with the offer, sale and purchase of a security in this state, are engaged in acts, practices or courses of business which operate as a fraud or deceit upon citizens of the State of Tennessee and citizens of other states.

11. This Order is in the public interest and necessary for the protection of investors, and consistent with the purposes fairly intended by the Act.

#### CONCLUSIONS OF LAW

1. Tennessee Code Annotated §48-2-104 provides that it is unlawful for any person to sell any security in this state unless it is registered with the Division, qualified for an exemption pursuant to §48-2-103, or a covered security.

2. Tennessee Code Annotated § 48-2-102 provides that a security includes investment contracts. In *State v. Brewer*, 932 S.W.2d 1, 11 (Tenn.Crim.App. 1996), the court held that an instrument or agreement would be considered an investment contract when (1) an offeree furnishes initial value to an offeror, (2) a portion of this initial value is subjected to the risks of the enterprise, (3) the furnishing of the initial value is induced by the offeror's promises or representations which give rise to a reasonable understanding that a valuable benefit of some kind, over and above the initial value, will accrue to the offeree as a result of the operation of the enterprise, and (4) the offeree does not receive the right to exercise practical and actual control over the managerial decisions of the enterprise.

3. Based upon the Findings of Fact and the Exhibits filed by the Petitioner, the Respondents have violated and are violating Tennessee Code Annotated §48-2-104 by offering and/or selling unregistered securities to Tennessee residents and residents of other states.

4. Tennessee Code Annotated §48-2-102(3) provides that a “broker-dealer” means any person engaged in the business of effecting transactions in securities for the account of others, or any person engaged in the business of buying or selling securities issued by one (1) or more other persons for such person’s own account and as part of a regular business rather than in connection with such person’s investment activities.

5. Tennessee Code Annotated §48-2-102(2) provides that an “agent” means any individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities from or in this state.

6. Tennessee Code Annotated §48-2-109(a) provides that it is unlawful for any person to transact business from or in this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part.

7. Tennessee Code Annotated §48-2-109(b) provides that it is unlawful for any broker-dealer to employ an agent to transact business as an agent unless the agent is registered under this part.

8. Based upon the Findings of Fact and the Exhibits filed by the Petitioner, the Respondent Capital Plus has violated and is violating Tennessee Code Annotated §48-2-109(a) and (b) by acting as an unregistered broker-dealer and employing unregistered agents to solicit Tennessee residents and residents of other states.

4. The Respondents Capital Plus, R. Gant and Anita Gant shall cease and desist the further offer and/or sale of unregistered securities from and in the State of Tennessee.

5. The Respondents shall cease and desist, from and in the State of Tennessee, in the present and future conduct of employing any device, scheme, or artifice to defraud, making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, or engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

6. All persons in any way assisting, aiding, or helping any of the aforementioned Respondents in any of the aforementioned violations of the Tennessee Securities Act of 1980, as amended, Tennessee Code Annotated §§48-2-101 et seq. shall cease and desist from all such activities in violation of the Tennessee Securities Act of 1980, as amended.

This Order is not intended to prohibit any lawful conduct in which any of the Respondents might be engaged.

Entry of this Order shall not in any way restrict the Tennessee Securities Division or the Commissioner of Commerce and Insurance from taking further action with respect to these or other possible violations by Respondents of the Act or any of the Rules promulgated thereunder.

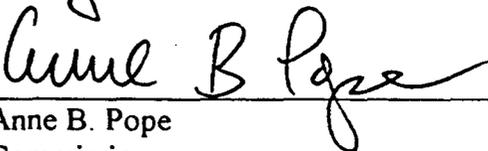
This Order shall become a Final Order 30 days from the date of its entry, unless written notification requesting a hearing is made within that 30 day period.

You are advised that you have the right to a hearing as to all matters raised in this Order. If you wish to exercise your right to a hearing, please notify:

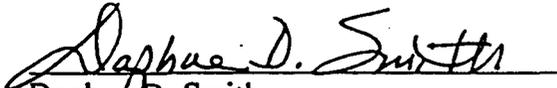
**DAPHNE D. SMITH  
ASSISTANT COMMISSIONER FOR SECURITIES  
STATE OF TENNESSEE, DEPARTMENT OF COMMERCE AND INSURANCE  
DAVY CROCKETT TOWER, SUITE 680  
500 JAMES ROBERTSON PARKWAY  
NASHVILLE, TENNESSEE 37243**

Such request must be received within 30 days of the date of entry of this Order.

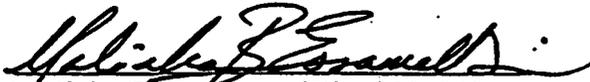
Entered this 19<sup>th</sup> day of May, 2000.

  
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Anne B. Pope  
Commissioner

**APPROVED FOR ENTRY:**

  
Daphne D. Smith

Assistant Commissioner for Securities  
Department of Commerce and Insurance



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