

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF:	*	
QUADRA PAY LAND, LLC	*	
and		Securities Division No. 2006-0155
EAVENSON FAMILY LP	*	
and		
MICHAEL EAVENSON,	*	
RESPONDENTS.	*	

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FINAL ORDER TO CEASE AND DESIST

WHEREAS, the Securities Division of the Office of the Maryland Attorney General, pursuant to the authority granted in section 11-701 of the Maryland Securities Act, Title 11, Corporations and Associations Article, Annotated Code of Maryland (1999 Repl. Vol. & Supp. 2005) (the "Securities Act"), undertook an investigation into the securities-related activities of Quadra Pay Land, LLC, Eavenson Family LP, and Michael Eavenson (collectively the "Respondents"); and

WHEREAS, on the basis of that investigation the Securities Commissioner determined that the Respondents had engaged and were about to engage in an act or practice constituting a violation of the registration provisions and the antifraud provisions of the Act; and

WHEREAS, the Commissioner issued a Summary Order To Cease And Desist to the Respondents, ordering each to cease and desist from soliciting investment in, or offering or selling securities in the form of option certificates for units of land or other interests, pending a hearing in this matter; and

WHEREAS, that Order gave each Respondent notice of the opportunity for a hearing in this matter, if requested in writing within fifteen days of service of that Order, and gave notice that as to any Respondent not requesting a hearing, a Final Order To Cease And Desist would be issued, imposing a bar from engaging

in securities transactions on behalf of others and a monetary civil penalty; and

WHEREAS, none of the Respondents has filed an Answer or requested a hearing;

NOW, THEREFORE, the Commissioner having determined that it is in the public interest to issue this Final Order To Cease And Desist, THE COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding and over the Respondents pursuant to section 11-701.1 of the Act.

II. RESPONDENTS

2. Quadra Pay Land, LLC (“Quadra”), at all relevant times was a Nevada limited liability company with its address at 3225 McLeod Drive, Las Vegas, Nevada.

3. Eavenson Family LP (“Eavenson LP”), at all relevant times was a Nevada domestic limited partnership with its address at 3225 McLeod Drive, Las Vegas, Nevada. Records of the Nevada Secretary of State’s Office show that Eavenson LP is listed as “Manager” of Quadra.

4. Michael Eavenson (“Eavenson”), at all relevant times was a general partner of Eavenson LP, with an address of 3225 McLeod Drive, Las Vegas, Nevada.

III. STATEMENT OF FACTS

5. Beginning in March 2005, Respondents offered and sold investments in the form of “unit option certificates” (“option certificates”) involving real estate.

6. Potential investors were solicited to purchase an “option” for an undivided interest in one square foot of land. The particular real estate subject to the option certificate is not described. The option would allow each investor to acquire a deed to the land at the option’s maturity (any such deed would not

be a recordable one), or to “cycle” or cash out in a year or sooner.

7. Investors pay \$600 for the option certificate, and are promised a return of \$2,400 at maturity, which Respondents claimed could occur in days or even hours. Respondents stressed that investors then could roll over their profits again and again, ultimately amounting possibly to over \$4 million in one year.

8. The Quadra program actually operates as a multi-level pyramid program into which participants are solicited with the promise of a large future cash payout in exchange for a single lesser payment now, through the participation of other investors.

9. Investors enter the program at Stage 1, and move up as additional investors are brought in as option certificate purchasers. Investors are told they will receive their quadruple return of \$2,400 when the investors reach Stage 4. If the option did not completely cycle, Quadra would buy it back at the end of a year for \$2,400, a 400% return.

10. This is a passive investment. Quadra solicitation material states that “you don’t need to find the buyer, and you don’t need to find the seller. We do it all for you.” Investors were told “you can participate in market growth without market risk.”

11. Beginning in March 2005, Respondents solicited Maryland investors through the mail, Quadra’s website, conference calls, and other agents.

12. One Maryland resident responded to an internet posting of investment opportunities, and was contacted by an agent of Quadra, who solicited her investment and directed her to the Quadra website.

13. She was told that it was a “no fail” business: she only had to invest and then wait for Quadra to “cycle” her option to maturity through the addition of 32 other investors. She invested \$600 in March 2005. Her cycle never was completed; she has been paid nothing.

14. At least one Maryland resident received a postcard in May 2005, advertising the Quadra investment opportunity. He invested \$600 in May 2005; he has received no money back.

15. Several other Maryland residents, directed to the website by recent investors, were persuaded

by the website promise of a four-fold return. They each invested \$600; they have received nothing back.

16. In May 2005, Quadra informed investors that their \$600 was guaranteed from loss, even if they didn't cycle out in a year. Thus, investors could recruit others with confidence, and by so doing speed their own cycling process.

17. Respondents solicited purchases of, accepted investments for, and sold option certificates for land interests, with the promise of profits to be generated by Respondents' acquiring other investors and increasing the land value by continuous sales and resales.

18. Altogether, at least 36 Maryland residents have invested in the option certificates; none has been repaid.

19. The Securities Division has no record of securities registration for an offering by or in the name of Quadra Pay, nor has any claim of exemption or status as a federal-covered security been filed.

20. Quadra is not registered with the Securities Division as a securities broker-dealer or agent, or as an investment adviser or investment adviser representative.

21. Eavenson LP is not registered with the Securities Division as a securities broker-dealer or agent, or as an investment adviser or investment adviser representative.

22. Eavenson is not registered with the Securities Division as a securities broker-dealer or agent, or as an investment adviser or investment adviser representative.

23. Investors were not informed about the Respondents' history, management experience, structure or operation prior to or at the time of their investment, and received no disclosure of risk.

24. Investors were not told that their investments, and the persons who sold them, should have been registered with the Division but are not registered.

25. Investors were not told that it is illegal in Maryland to operate or promote pyramid schemes.

IV. CONCLUSIONS OF LAW

26. The Summary Order To Cease And Desist with notice of the right to a hearing was served on the Respondents in compliance with Maryland law.

27. None of the Respondents requested a hearing, and their right to a hearing has been lost.

28. The units or interests in Quadra offered and sold by the Respondents are investment contracts and participatory interests in a profit-sharing agreement, which constitute "securities" within the meaning of section 11-101 of the Securities Act.

29. Respondents violated section 11-501 of the Act by offering and selling unregistered securities in Maryland, for which no claim of preemption or exemption has been filed.

30. Respondents violated section 11-401(a) of the Act by transacting business in the offer or sale of securities in this state as a broker-dealer or securities agent, without being registered pursuant to the Act.

31. Respondent Quadra violated section 11-402(a) of the Act by employing an unregistered agent for the offer and sale of securities.

32. Respondents violated section 11-301 of the Act by making material omissions and misrepresentations in connection with the offer and sale of securities.

V. SANCTIONS

IT IS HEREBY ORDERED THAT:

33. (a) Respondents permanently cease and desist, in or from Maryland on behalf of others, from offering or selling securities in violation of the Act, from offering and selling any securities whether registered or exempt from registration, and from engaging in any transaction exempted under the Act; and that

(b) Respondents are permanently barred from engaging in the securities or investment advisory businesses in Maryland for or on behalf of others, or from acting as a principal or

consultant in any entity so engaged; and that

(c) Respondents, jointly and severally, are assessed a civil monetary penalty of \$72,000 pursuant to section 11-701.1(b) of the Act, payable by certified check to the Office of the Attorney General.

VI. JURISDICTION RETAINED

34. Jurisdiction is retained by the Securities Commissioner for the purpose of enabling any party to this Order to apply for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Order.

IT IS SO ORDERED

_____, 2006

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER