

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

IN THE MATTER OF:

Norman Anderson

Norand Management Solutions LLC,

Respondents.

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Case No. 2008-0096

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FINAL ORDER TO CEASE AND DESIST

WHEREAS, the Securities Division of the Office of the Attorney General of Maryland (the “Securities Division”), pursuant to the authority granted in Section 11-701 of the Maryland Securities Act, Md. Ann. Code, Corps. & Ass’ns, Sections 11-101, *et seq.* (2007 Repl. Vol. And 2008 Supp.) (the “Securities Act”), initiated an investigation into the activities of persons t/a: Norman Anderson and Norand Management Services (collectively, “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, on the basis of that investigation the Maryland Securities Commissioner (the “Commissioner”) issued a Summary Order To Cease And Desist requiring those Respondents to cease and desist from violating sections 11-301, 11-302, 11-401, and 11-501 of the Act pending the vacating or modification of the Order, to show cause why a monetary penalty should not be assessed against each for such violations, and to show cause why they should not be barred from engaging in the securities or investment advisory business in Maryland for or on behalf of others; 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, Norman Anderson and Norand Management Services failed to file an Answer or a request for a hearing;

NOW, THEREFORE, 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 Securities Commissioner has jurisdiction in this proceeding pursuant to Section 11-701.1 of the Securities Act.

II. RESPONDENTS

2. Norman S. Anderson (“Anderson”) uses an address of 1905 Bordeaux Court, Allen, Texas 75002.

3. Norand Management Solutions LLC (“Norand”) registered with the State of Texas as a limited liability company on February 15, 2007. The entity identifies Norman S. Anderson as its registered agent and as its governing person, using an address of 1905 Bordeaux Court, Allen, Texas 75002.

III. STATEMENT OF FACTS

6. In July 2007, Respondent Anderson contacted a Maryland resident regarding a telecom business venture Anderson was working on in Bermuda. Anderson solicited a loan of \$40,000 from the Maryland resident, with the promise to pay the \$40,000 principal, plus interest of 10%, in one week.

7. After one week, Anderson paid the promised interest, but did not repay the \$40,000 principal. Anderson then solicited an investment into another supposed telecom project that would pay a return of 14% after two months, ending on or about September 30, 2007.

8. The Maryland investor wired \$35,000 to the Respondents on July 25, 2007, for this second investment, with an assurance that the entire \$75,000 would be repaid and the investment contract terminated on September 30, 2007.

9. Prior to September 30, 2007, Respondent Anderson proposed that the Maryland investor keep the \$75,000 principal invested with the Respondents for one year, with a promised monthly return of 5%, with the provision that the investor could recall the entire \$75,000 at any time. The Maryland investor agreed to these new terms of this investment contract.

10. The Maryland investor did not receive the interest due on September 30, 2007, as promised by the Respondents.

11. On October 12, 2007, the Respondents wired a payment of \$3,150 in "late fees" to the Maryland investor.

12. At approximately the same time, the Maryland investor requested the return of \$25,000 of the investment. Respondent Anderson promised to wire the money to the investor.

13. On October 15, 2007, the Maryland investor received a payment of \$10,500 by

wire from the Respondents. This represented the 14% interest that had been due on September 30, 2007.

14. On October 17, 2007, an additional payment of \$10,500 was wired to the Maryland investor by the Respondents. Respondent Anderson asked the Maryland investor to return this payment, stating that the bank had sent it in error. The Maryland investor refused to return the payment, and instead asked for repayment of the remaining \$64,500 investment that the Respondents held.

15. During subsequent communications, Respondents claimed that they were required under SEC rules to refund the entire investment amount of \$75,000, and that the Maryland investor would have to return the \$10,500 sent in error before the Respondents could refund the \$75,000. The Maryland investor refused to return the \$10,500, and asked for the return of the balance of the investment.

16. On November 26, 2007, the Maryland investor received a wire payment of \$2,445 from the Respondents, representing a return on investment from October 1, 2007, to October 19, 2007.

17. On March 4, 2009, Respondent Anderson contacted the Maryland investor to solicit an investment in another deal, with a promised return of 30% in one month. The balance of \$64,500 from the prior investment contract with the Respondents has not been repaid as promised.

18. The Securities Division's records do not reflect any registration in Maryland for a person named Norman S. Anderson as a broker-dealer, broker-dealer agent, investment adviser or investment adviser representative, or issuer agent.

20. The Securities Division's records do not reflect any registration in Maryland for "Norand Management Solutions LLC" as a broker-dealer or investment adviser, nor is there any record of any company by those names registered with the Financial Industry Regulatory Authority, Inc. in any capacity.

21. The Securities Division has no record of an application for securities registration or claim of securities exemption or preemption as a federal covered security filed in the name "Norand Management Solutions LLC."

22. Neither Norman Anderson, Norand Management Solutions LLC, nor anyone associated with the Respondents provided potential investors with disclosures regarding the company, its officers, the specific nature of the investments, the source of profits, or the risks relating to the investment programs offered by the Respondents.

IV. CONCLUSIONS OF LAW

THE COMMISSIONER, THEREFORE, CONCLUDES AS A MATTER OF LAW THAT:

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

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

25. Respondents violated section 11-302 of the Act by acting as an investment adviser and engaging in a course of business that operated as a fraud on the investor.

26. Respondents violated section 11-401 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.

V. SANCTIONS

27. IT IS HEREBY ORDERED THAT:

(a) Respondents permanently cease and desist from offering, selling, or issuing in Maryland, in violation of the Securities Act, any securities subject to that Act;

(b) Respondents permanently cease and desist from acting as a broker-dealer, an agent, an investment adviser, or investment adviser representative in violation of the Securities Act;

(c) Respondents shall not offer or sell any securities, whether registered or exempt, or engage in any transaction exempted under the Act, without prior notification to the Securities Commissioner;

(d) Respondents, jointly and severally, shall pay a civil penalty pursuant to section 11-701.1 of the Act in the amount of \$95,000 for the violations set forth in this Order.

VI. JURISDICTION RETAINED

28. Jurisdiction shall be retained by the 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.

VII. NOTICE OF APPEAL RIGHTS

29. Pursuant to the Code of Maryland Regulations, COMAR 02.02.06.24, each Respondent has the right to file an appeal of this Order with the circuit court of Maryland . Any appeal must be filed within 30 days from the date this Order is mailed by the Division.

SO ORDERED

DATED: April 30, 2009

**Commissioner's Signature is
on File with Original Document**

Melanie Senter Lubin
Securities Commissioner