

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, ME 04333

IN RE:

AGM International Inc., a/k/a Money4U.net

CEASE AND DESIST ORDER  
03-050

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. AGM International Inc., also known as Money4U.net (“AGM”), lists several addresses on its website, [www.agm-stores.com](http://www.agm-stores.com). Its “USA/Canada Headquarters” address is 300 Klaminsi Road, Wilmington, Delaware 19804. Another AGM address is 600 17<sup>th</sup> Street, Suite 2800 South, Denver, Colorado 80202.
2. AGM purports to offer website marketing techniques and technology to assist people in internet marketing, providing “worldwide users with a first-class and fully automated home-based business solution!” AGM also claims to have “helped thousands of people from around the world obtaining financial freedom just by using [AGM’s] simple training steps and [AGM’s] most powerful marketing techniques.”
3. Other claims made by AGM on its website are as follows:
  - “AGM International provides satisfied customers, around the world, with a fully-automated home-based business solution, that guarantees income up to \$200,000 with a money back policy!”
  - “Without special skills or internet experience, you can easily plug into our easy-to-follow on-line training and have your own Internet Mall up and running in no time! Your mall, easily managed from the comfort of your own home or office, can generate a weekly income of \$500...\$5,000.”
  - “You will have the benefit of our marketing experts to help you each and every step of the way, and teach you how to successfully drive over 30,000 visitors to your site each month. We use only the latest and most powerful internet marketing techniques, provided exclusively for our AGM business owners!!”

4. AGM also claims to pay the highest commissions online, representing on its website that “you will earn 5% to 50% commission on every product sold through your mall. Additionally you will receive a \$250 to \$5,000 commission for every new mall owner who joins through your mall from your referral!”
5. In or about August 2002, a person living in Westbrook, Maine (“the Maine consumer”) found AGM while searching the internet and, at or about this time, paid AGM \$650.00 to participate in AGM’s work-from-home business opportunity.
6. AGM’s representatives guaranteed to the Maine consumer that she would earn at least \$12,000.00 by the end of her first year and that, if she did not, she would be refunded the \$650.00 she had paid to AGM.
7. The Maine consumer, after receiving instructions and files from AGM, soon realized that her computer neither was sufficiently powerful nor contained sufficient storage capacity to download and run AGM’s files.
8. In September and October 2002, the Maine consumer sent several e-mails to AGM requesting a full refund. Although AGM replied to a few of the Maine consumer’s earlier e-mails, AGM did not indicate if it would provide a refund. AGM failed to respond at all to the Maine consumer’s later e-mails.
9. AGM has accordingly sold services and products to the Maine consumer for the purpose of enabling the Maine consumer to start a business pursuant to 32 M.R.S.A. §4691(3).
10. Pursuant to 32 M.R.S.A. § 4696, the seller of a business opportunity shall register with the Administrator prior to selling, offering to sell, advertising or undertaking any other act relating to the promotion of business opportunities in Maine.
11. Securities has no record that AGM is, or has ever been, registered as a business opportunity in Maine.
12. Pursuant to 32 M.R.S.A. § 4692, the seller of a business opportunity shall provide all purchasers with a disclosure statement meeting the requirements of 32 M.R.S.A. § 4691 *et seq.*
13. The Maine consumer never received any form of disclosure statement from AGM.
14. Pursuant to 32 M.R.S.A. § 4699(1), it shall be unlawful for any seller of a business opportunity to fail to comply with any provision of 32 M.R.S.A. § 4691 *et seq.*, including, but not limited to,
  - A. failing to register pursuant to 32 M.R.S.A. §§ 4696 and 4697;

- B. failing to provide all purchasers of the business opportunity with a disclosure statement as required by 32 M.R.S.A. § 4692.
15. Pursuant to 32 M.R.S.A., § 4699(2), it shall be unlawful for any seller of a business opportunity to make any representation concerning estimated, projected or actual sales, income and gross or net profits unless, at the time the representation is made, the representation is relevant to the geographic market in which the business opportunity is to be located, a reasonable basis exists for the representations, the seller has in its possession material which constitutes a reasonable basis for the representation and the seller makes that material available to any prospective purchaser or the State upon their request.
  16. Securities has no information to suggest that AGM had a reasonable basis to make its guarantee of earnings to the Maine consumer, or that the guarantee was relevant to her geographic market.
  17. On December 20, 2002, Securities sent a certified letter to AGM at 300 Klaminsi Road in Wilmington, Delaware, notifying AGM that it had been selling, offering to sell and advertising business opportunities in the State of Maine contrary to the provisions of 32 M.R.S.A. § 4691 *et seq.* Securities requested that AGM provide a list of all Maine persons who had purchased an AGM business opportunity. Securities further requested that AGM make rescission offers to all such Maine persons. This letter was returned to Securities as undeliverable. Securities later learned that 300 Klaminsi Road does not exist.
  18. On March 26, 2003, Securities sent the same letter by certified mail to AGM at 600 17<sup>th</sup> Street, Suite 2800 South in Denver, Colorado. This letter was delivered and signed for on March 31, 2003. However, AGM has failed to respond to it.
  19. On July 31, 2003, Securities sent the same letter by certified mail to Harvard Business Services at 25 Greystone Manor in Lewes, Delaware. Harvard Business Services is listed with the Delaware Department of Corporations as the registered agent for AGM International, Inc. However, Securities later learned that this legitimate and duly incorporated company sells adhesives, is not involved in internet marketing, and is an entirely different entity from the one that dealt with the Maine consumer.
  20. For the reasons stated above, the Administrator reasonably believes that AGM has engaged, is engaging or is about to engage in acts or practices constituting violations of 32 M.R.S.A. § 4691 *et seq.*
  21. On September 23, 2003, the Administrator issued a Notice of Intent to Issue a Cease and Desist Order. The Notice gave AGM thirty (30) days to request a hearing on the matter. To date, no hearing has been requested.

FINAL ORDER

Now, therefore it is ORDERED that AGM immediately CEASE AND DESIST from violating any provisions of *The Business Opportunity Regulations* 32 M.R.S.A. § 4691 *et seq.*

Pursuant to 32 M.R.S.A. § 4700(5), this is a final order, entered after notice and opportunity for hearing. A party to this order may obtain judicial review of the order in Superior Court by filing a petition within thirty (30) calendar days after receipt of the order, in accordance with 5 M.R.S.A. § 1101 *et seq.* and Rule 80C of the Maine Rules of Civil Procedure.

Date: 11/7/2003

/s/ Christine A. Bruenn  
Christine A. Bruenn  
Securities Administrator

Reviewed by:

Date: 11/6/2003

/s/ Bonnie E. Russell  
Bonnie E. Russell  
Assistant Securities Administrator

Presented by:

Date: 11/5/2003

/s/ Christian D. Van Dyck  
Christian D. Van Dyck  
Investigator/Examiner