

**STATE OF OKLAHOMA
OKLAHOMA DEPARTMENT OF SECURITIES
204 NORTH ROBINSON, SUITE 400
OKLAHOMA CITY, OKLAHOMA 73102**



In the Matter of:

Conestoga Trust, formerly known as
Conestoga Settlement Trust;
Conestoga International, LLC; and
Michael C. McDermott,

Respondents.

ODS File 16-001

AGREED ORDER TO CEASE AND DESIST

Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), the Oklahoma Department of Securities (“Department”) conducted an investigation into the activities of Conestoga Trust, formerly known as Conestoga Settlement Trust, Conestoga International, LLC, and Michael C. McDermott, (collectively, “Respondents”), in connection with the offer and/or sale of securities in and/or from Oklahoma, to determine whether violations of the Act and/or the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (effective August 1, 2013), Okla. Admin. Code §§ 660:1-1-1 through 660:25-7-1, may have occurred.

The Administrator of the Department, being fully advised in this matter, does hereby adopt the Findings of Fact and Conclusions of Law as set forth below.

Findings of Fact

1. Conestoga Trust, formerly known as Conestoga Settlement Trust (“Conestoga Trust”), is a statutory trust organized under the laws of the state of Delaware.
2. Conestoga International, LLC (“Conestoga International”) is a Puerto Rico limited liability company.
3. Michael C. McDermott (“McDermott”), an individual, is a resident of Puerto Rico. McDermott was, at all times material hereto, a promoter, as defined in Section 1-102(27) of the Act, of Conestoga Trust. McDermott was, prior to April, 2015, the manager of Conestoga International and, in April, 2015, became the Trustor of the CI Trust, an entity created to hold certain membership interests in Conestoga International. At all times material hereto, McDermott has been a consultant to Respondents.

4. Beginning in at least April 2014, Respondents Conestoga Trust and Conestoga International employed and/or associated with individuals who, on their behalf, contacted Oklahoma residents, to offer them “beneficial fixed fractional interests in the benefits payable under life insurance policies” of Conestoga Trust and Conestoga International (the “Interests”). The individuals included Peter P. Viater and Kenneth Feyers. The Oklahoma residents had no preexisting business relationship with the Respondents.

5. At least two Oklahoma residents (“Investors”) purchased Interests as a result of the efforts of Peter P. Viater and Kenneth Feyers.

6. At all times material hereto, Respondent McDermott, Peter P. Viater, and Kenneth Feyers were not registered as agents under the Act.

7. In order to resolve this matter, Respondents voluntarily agree to the entry of this Order.

Conclusions of Law

1. The Interests are securities within the definition of Section 1-102(32) of the Act.

2. Respondents Conestoga Trust and Conestoga International are issuers of the Interests within the meaning of Section 1-102(19) of the Act.

3. Peter P. Viater and Kenneth Feyers who represented Respondents Conestoga Trust and Conestoga International in effecting or attempting to effect purchases or sales of the Interests, were agents within the meaning of Section 1-102(2) of the Act.

4. Respondents Conestoga Trust and Conestoga International violated Section 1-402(D) of the Act by employing and/or associating with agents to effect or attempt to effect purchases or sales of securities on their behalf, in Oklahoma, without registration as agents under Section 1-402(A) of the Act.

5. Respondent McDermott, an agent within the meaning of Section 1-102(2) of the Act, violated Section 1-402(A) of the Act by failing to register as an agent.

6. Pursuant to Section 1-604 of the Act, the Administrator has the authority to order Respondents Conestoga Trust and Conestoga International to cease and desist from employing and/or associating with agents to effect or attempt to effect purchases or sales of securities on their behalf, in Oklahoma, without registration as agents.

7. Pursuant to Section 1-604 of the Act, the Administrator has the authority to order Respondent McDermott to cease and desist from engaging in any act requiring registration as an agent under Section 1-402(A) of the Act without the required registration.

IT IS HEREBY ORDERED that Respondents Conestoga Trust and Conestoga International cease and desist from employing and/or associating with unregistered agents to effect or attempt to effect purchases or sales of securities on their behalf in Oklahoma.

IT IS FURTHER ORDERED that Respondent McDermott cease and desist from engaging in any act requiring registration as an agent under Section 1-402(A) of the Act without the required registration.

10th Witness my Hand and the Official Seal of the Oklahoma Department of Securities this day of March, 2017.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 10th day of March, 2017, a true and correct copy of the above and foregoing *Agreed Order to Cease and Desist* was mailed by U.S. Mail, with postage prepaid thereon, addressed to:

Conestoga Trust
1455 Pennsylvania Avenue, Suite 400
Washington, DC 00918

Conestoga International, LLC
644 Ave. Fernandez Juncos, Suite 301
San Juan, Puerto Rico 00907

Michael C. McDermott
644 Ave. Fernandez Juncos, Suite 301
San Juan, Puerto Rico 00907

Brenda London
Brenda London
Paralegal