

5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 413 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 31st day of December, 2003.

(SEAL)



Irving L. Faught, Administrator

Subscribed and sworn to before me this 31st day of December, 2003.

(NOTARY SEAL)

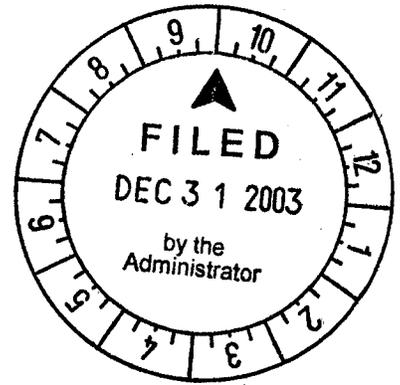


Notary Public

My Commission Expires: August 26, 2005

My Commission Number: 01013792

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

FIIK Investment & Holdings, Inc.,
Edgar M. Bias and Thomas E. Dunn

Respondents.

ODS File No. 03-048

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act (Act), Okla. Stat. Ann. tit. 71, §§1-413, 501, 701-703 (West 2003), the Administrator of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of FIIK Investment & Holdings, Inc., Edgar M. Bias and Thomas E. Dunn (collectively, the "Respondents"), in connection with the offer and/or sale of securities in and/or from the state of Oklahoma.

2. On the 31st day of December, 2003, the attached Enforcement Division Recommendation (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 406(b) of the Act, the Administrator hereby gives notice to Respondents of their right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The request for a hearing on the Recommendation must be received by the Administrator within fifteen (15) days after service of this Notice. Pursuant to Section 406(b) of the Act, failure to request a hearing as provided for herein shall result in the issuance of an order to cease and desist against Respondents.

5. The request for hearing shall be in writing and Respondents shall specifically admit or deny each allegation in said request as required by 660:2-9-1(c) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within sixty (60) days or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondents not less than ten (10) days in advance thereof pursuant to 660:2-9-3(a) of the Rules. Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 31st day of December, 2003.

(SEAL)



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

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 31st day of December, 2003, a true and correct copy of the above and foregoing Notice of Opportunity for Hearing and attached Enforcement Division Recommendation was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

FIIK Investment & Holdings, Inc.
2590 N. Loop W., Suite 500
Houston, TX 77092

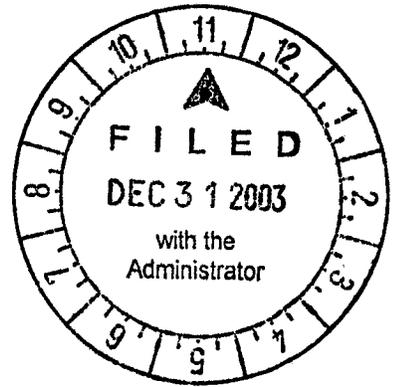
Edgar M. Bias
2590 N. Loop W., Suite 500
Houston, TX 77092

Thomas E. Dunn
2590 N. Loop W., Suite 500
Houston, TX 77092



Brenda London Smith
Paralegal

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
THE FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

FIIK Investment & Holdings, Inc.,
Edgar M. Bias and Thomas E. Dunn

Respondents.

ODS File No. 03-048

ENFORCEMENT RECOMMENDATION

Pursuant to the Oklahoma Securities Act (Act), Okla. Stat. Ann. tit. 71, §§1-413, 501, 701-703 (West 2003), an investigation was conducted into the activities of FIIK Investment & Holdings, Inc. (FIIK Investment), Edgar M. Bias (Bias), and Thomas E. Dunn (Dunn), in connection with the offer and/or sale of securities in and/or from the state of Oklahoma. Based thereon, the following Findings of Fact, Authorities and Conclusions of Law are submitted to the Administrator, or his designee, in support of the issuance of an order to cease and desist against FIIK Investments, Bias, and Dunn.

Findings of Fact

1. At all times material hereto, Bias was the Chief Executive Officer (CEO) and a Director of FIIK Investment.
2. At all times material hereto, Dunn was engaged in the business of seeking investors on behalf of FIIK Investment.
3. At all times material hereto, neither Bias nor Dunn were registered under the Act to transact business in the state of Oklahoma as agents of a broker-dealer or an issuer.
4. According to the agreement (the "Agreement") provided to certain Oklahoma residents (Investors), FIIK Investment was engaged in the business of acquiring, developing and managing corporations to acquire restaurant franchises. Further, FIIK Investment represented that it was developing funding relationships that would "permit it to acquire and merge various restaurant franchises into a single holding entity for the purpose of establishing and re-marketing a Restaurant REIT."

5. At all times material hereto, the business address of FIIK Investment was 2950 North Loop West, Suite 500, Houston, Texas.

6. In April 2000, Dunn advised Investors that FIIK Investment was seeking investors for a "high-return, no-risk" investment. Dunn represented that FIIK, acting through an "asset management program" (AMP), intended to "locate, negotiate, finance, develop and manage" restaurants. The restaurants would be merged into a "larger consortium via a publicly traded company" to establish and re-market a "Restaurant REIT." Investor funds would be used to secure a line of credit from which funds could be drawn to develop and manage the AMP. Further, FIIK Investment would control and manage all aspects of the investment.

7. Dunn provided Investors with the Agreement that presented a forty-five (45) day investment opportunity in the AMP (Investment Opportunity). At the end of the forty-five (45) day period, Investors were to receive a return of principal plus interest of nine percent (9%) per annum for the use of their funds. Additionally, Investors were to "share in the total return of the AMP" in "an amount equal to THIRTY (30%) of the original FUNDS" provided by Investors. Investors were simply required to deliver their money and wait passively to receive their investment return. On April 17, 2000, Investors executed the Agreement and sent \$100,000 to FIIK Investment by means of a wire transfer. The Agreement was executed by Bias as the CEO and Director of FIIK Investment.

8. In November 2000, FIIK Investment sent Investors a cashier's check in the amount of \$100,000. The cashier's check, dated November 1, 2000, was issued by Partner Bank, AD, of Podgorica, Montenegro. Investors deposited the cashier's check on November 3, 2000. On November 16, 2000, Investors were notified by their bank that the cashier's check was "uncollectable."

9. To date, Investors have not received the principal amount of their original investment or any interest or other return on their investment.

10. The Investment Opportunity was not registered pursuant to Section 301 of the Act and no claim of an exemption from the registration provisions of the Act was filed with the Administrator pursuant to Section 401 of the Act.

11. Respondents, directly and indirectly, made untrue statements of material fact in connection with the offer and sale of the Investment Opportunity including, but not limited to, the following:

- a. that the investment was a "high-return, no-risk" investment;
- b. that investors would receive a return of their investment after 45 days; and
- c. that investors would earn interest on their investment.

12. Respondents omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in connection with the offer and sale of the Investment Opportunity including, but not limited to, the following:

- a. that the Investment Opportunity was a security;
- b. that the Investment Opportunity was not registered as a security or exempt from registration under the Act;
- c. that Respondents Bias and Dunn were not registered as broker-dealer or issuer agents under the Act; and
- d. the risks involved with the Investment Opportunity.

13. Based upon the foregoing violations of the Act, it is in the public interest to issue an order to cease and desist against Respondents.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

Authorities

1. Section 2 of the Act provides in part:

(d) **"Agent"** means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities.

* * *

(v) **"Security"** means any:

* * *

(11) investment contract[.]

2. Section 101 of the Act provides:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly[:]

* * *

(2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading,

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

3. Section 201 of the Act provides in pertinent part:

(a)(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent unless the person is so registered under this act or unless the person is exempt from registration as provided in paragraph (2) or (3) of this subsection.

* * *

(b) It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered or is exempt from registration.

4. Section 301 of the Act provides:

It is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under this act or the security or transaction is exempted under Section 401 of this title; or (2) it is a federal covered security.

5. Section 406 of the Act provides in pertinent part:

(a) If the Administrator reasonably believes, whether or not based upon an investigation conducted under Section 405 of this title, that a person has violated the Oklahoma Securities Act, except under the provisions of Section 202.1 or 305.2 of this title, or a rule or order of the Administrator under the Oklahoma Securities Act or has engaged in dishonest or unethical practices in the securities business, the Administrator, in addition to any specific power granted by any other section of the Oklahoma Securities Act, may impose one or more of the following sanctions:

(1) issue an order against the person to cease and desist from engaging in such violation or dishonest or unethical practices or doing any act in furtherance thereof[.]

Conclusions of Law

1. The Investment Opportunity is a security under Section 2 of the Act.

2. Respondents offered and sold unregistered securities in the state of Oklahoma, in violation of Section 301 of the Act.

3. Respondents Bias and Dunn transacted business in the state of Oklahoma as agents without being registered under the Act, in violation of Section 201 of the Act.

4. Respondent FIIK Investment employed agents to transact business in the state of Oklahoma who were not registered under the Act, in violation of Section 201 of the Act.

5. Respondents made untrue statements of material facts and omitted to state material facts in connection with the offer and/or sale of securities in the state of Oklahoma, in violation of Section 101(2) of the Act.

6. Respondents engaged in an act, practice or course of business that operated as a fraud or deceit in connection with the offer and/or sale of securities in the state of Oklahoma, in violation of Section 101(3) of the Act.

7. The Administrator has the authority under Section 406 of the Act to order Respondents to cease and desist from engaging in violations of the Act.

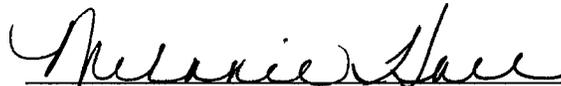
8. It is in the public interest to order Respondents to cease and desist from engaging in violations of the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator order Respondents to cease and desist from engaging in violations of the Act or doing any act in furtherance thereof.

Dated this 31st day of December, 2003.

Respectfully Submitted,



Rebecca Cryer
Melanie Hall
Enforcement Division