

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF determining
Whether there has been a violation of the
Securities Act of Washington by:

Brian J. Jue; Computerized Grading and Authentication,
Inc.; and their employees and agents,
Respondents.

SDO - 11 - 99

CONSENT ORDER

Case No. 98-10-335

THE STATE OF WASHINGTON TO: Brian J. Jue and
Computerized Grading and Authentication

Pursuant to the Securities Act of Washington, the Securities Division, Department of Financial Institutions, State of Washington ("Securities Division"), and Respondents Brian J. Jue, and Computerized Grading and Authentication, Inc., do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondents neither admit nor deny the Tentative Findings of Fact and Tentative Conclusions of Law as set forth below.

TENTATIVE FINDINGS OF FACT

I.

Brian J. Jue ("Jue") is the President and C.E.O. of Computerized Grading and Authentication, Inc. ("CGA"), which is incorporated in the state of Nevada, but has its principal place of business located at 4570 Campus Drive, Suite 100, Newport Beach, CA 92660. Jue also acts as a securities salesperson for CGA.

II.

From October 21, 1998 through October 24, 1998, representatives of CGA participated in a trade show/seminar called the Second Annual Seattle Money Show ("Money Show") in Seattle, Washington. The Money Show is a commercial venture marketed to the general public who have access to a number of business and commercial vendors involved in the financial industries. Securities Division investigators attended the Money Show and visited the CGA booth where they were provided offering literature which advertised the sale of CGA common stock and described CGA's

CONSENT ORDER

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360-902-8760

1 business of developing a software program for the commercial use of grading and authenticating collectibles. The
2 offering literature required a minimum investment of \$5,000, and included a subscription agreement.

3 **III.**

4 CGA is not currently registered to offer and sell its securities in the state of Washington, has not previously been
5 so registered, and no notification of claim of exemption for offers is on file with the Securities Administrator for the State
6 of Washington.

7 Jue is not currently registered as a securities salesperson or broker-dealer in the state of Washington, and has not
8 previously been so registered.

9 Based upon the above Tentative Findings of Fact, the following Tentative Conclusions of Law are made:

10 **TENTATIVE CONCLUSIONS OF LAW**

11 **I.**

12 The offer of CGA common stock described above constitutes the offer of a security as defined in RCW
13 21.20.005(10) and (12), to wit: stock; an investment contract; or risk capital.

14 **II.**

15 The offer of CGA common stock is in violation of RCW 21.20.140 because no registration for such offer is on
16 file with the Securities Administrator for the State of Washington.

17 **III.**

18 Jue has violated RCW 21.20.040 by offering said securities while not registered as a securities salesperson or
19 broker-dealer in the State of Washington.

20 **ORDER AND CONSENT**

21 Based on the foregoing,

22 IT IS HEREBY AGREED AND ORDERED that CGA, Brian Jue, their employees and agents each cease and
23 desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, the section of the Securities
24 Act of Washington requiring registration.

1 IT IS FURTHER AGREED AND ORDERED that Brian Jue and his employees and agents each cease and desist
2 from violation of RCW 21.20.040, the section of the Securities Act requiring securities salesperson and broker-dealer
3 registration.

4 IT IS AGREED that CGA will reimburse the Securities Division \$500 for its costs of the investigation.

5 IT IS AGREED that Respondents CGA and Brian Jue each waive their right to a hearing in this matter.

6 IT IS AGREED that the Securities Division has jurisdiction to enter this order.

7 Dated this ____ day of _____, 1999.

Dated this ____ day of _____, 1999.

8
9 _____
10 Computerized Grading and Authentication, Inc.

Brian J. Jue, individually and as President of CGA

11 By: _____
12 (Print name and title)

13 THIS ORDER ENTERED THIS ____ DAY OF _____, 1999, BY:

14
15
16 _____
17 DEBORAH R. BORTNER
Securities Administrator

18 Approved by:

Presented by:

19
20 _____
21 Michael E. Stevenson
Chief of Compliance

22 Paul S. Ocampo
23 Staff Attorney

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25 CONSENT ORDER

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