

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )  
 )  
YELLOW PAGES NATIONWIDE, INC. ) ADMINISTRATIVE ORDER  
BRYAN GOTTMAN ) NO. CD-2003-0027  
 )  
RESPONDENTS )

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. YELLOW PAGES NATIONWIDE, INC. ("YPN, INC."), is presented to be a Nevada domiciled corporation, with a business address of 1555 East Flamingo Road, Las Vegas, Nevada 89119.
2. BRYAN GOTTMAN ("GOTTMAN") is presented to be an Account Executive of RESPONDENT YPN, INC., with a business address of 1555 East Flamingo Road, Suite 326, Las Vegas, Nevada 89119.

STATEMENT OF FACTS

3. On March 12, 2003, the Commission received information, and documentation from an Alabama resident reporting an unsolicited investment opportunity with RESPONDENT YPN, Inc. The resident verified that on March 7, 2003, he received by US mail, a "Pre-IPO Prospectus" from YELLOW PAGES NATIONWIDE, INC. The prospectus was sent with a cover letter signed by BRYAN GOTTMAN, Account Executive.

4. After an initial review of the offering document, it appears that the document makes several misrepresentations about "Investor Suitability Standards". At least six of the criteria set forth in Regulation D Rule 501(a) of the General Rules and Regulations, promulgated under the Securities Act of 1933, which defines accredited investors, appear to be deliberately misrepresented. Financial criteria, set forth by the Securities and Exchange Commission which defines Accredited Investors has been altered in the Yellow Pages Nationwide Prospectus. YPN, Inc. has deliberately lowered the monetary qualifications for investor Net Worth and Income. The lowered standards of the Prospectus leads unqualified investors to believe they are considered "Accredited Investors", and therefore eligible for this offering. By lowering the qualifications for Accredited Investor status, YPN, Inc. increases the number of potential investors for the limited first offering.

5. In a telephone conversation conducted April 8, 2003, Mr. Snysheuvel, the Chief Financial Officer and Co-founder of YPN, Inc., stated he had filed a 505 Reg. D registration with the U.S. Securities and Exchange Commission for the limited offering. On April 4, 2003 a letter from the Alabama Securities Commission, requesting information relied upon for the prospectus, was sent by certified mail to Mr. Martin Snysheuvel, the Chief Financial Officer and Co-founder of YPN, Inc. The corresponding return receipt for the letter shows it was received, and signed for on April 14, 2003. As of July 8, 2003 no response to the letter of inquiry had been received from Mr. Snysheuvel or YPN, Inc.

6. A check with The Securities and Exchange Commission found no registration of any kind for GOTTMAN, SNYTSHEUVEL, or YELLOW PAGES NATIONWIDE, INC., and specifically no filing for a 505 Reg. D or 506 limited offering for YPN, Inc.

7. A review of the files of the Alabama Securities Commission Registration Division disclosed no record of registration for YELLOW PAGES NATIONWIDE, INC., or GOTTMAN as an agent and/or dealer in the state of Alabama.

8. YPN, Inc. is attempting to raise \$1,000,000 in capital through this limited offering. The securities being offered consist of units of 2,000 shares of common stock with a warrant to purchase. Each unit is priced at \$5,000 per unit, or \$2.50 per share. A review of the registration files of the Alabama Securities Commission disclosed no registration, and no exemption from registration for the securities offered by YPN, Inc. Further, there was no notice filing, which is required by the Commission, for a 505 Reg. D Limited Offering from YPN, Inc.

#### CONCLUSIONS OF LAW

9. GOTTMAN, an agent of YPN, INC., offered the securities of issuer YPN, INC., referenced in item 8, to a resident of the state of Alabama. Transacting business in the state of Alabama as an agent, without benefit of registration or exemption from registration, is a violation of Section 8-6-3(a), of the Code of Alabama 1975.

10. YELLOW PAGES NATIONWIDE, INC., offered non-registered securities to a resident of Alabama. The offer and/or sale of unregistered, non-exempt securities into, within, or from the state of Alabama is a violation of Section 8-6-4, Code of Alabama 1975.

11. The prospectus issued by RESPONDENT YPN, Inc. contains misleading and deliberately altered statements concerning Accredited Investor Guidelines. This is a violation of Section 8-6-17(a)2 Code of Alabama 1975, which states "It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly, or indirectly 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".

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 18<sup>th</sup> day of September, 2003.

ALABAMA SECURITIES COMMISSION  
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(334) 242-2984

BY:



JOSEPH P. BORG  
Director

