

representative Gregg Sautter, in consideration of the mutual undertakings established herein, the CSI and Respondent enter into the following:

STIPULATIONS AND CONSENTS

Without admitting or denying any of the CSI's allegations, Respondent and CSI stipulate and agree to the following:

1. Respondent shall pay a fine of \$45,000, which shall be paid to the Montana State Auditor within 30 days of the date of this Agreement. The check should be sent to the Office of the Commissioner of Securities and Insurance, Montana State Auditor, c/o Jameson C. Walker, 840 Helena Avenue, Helena, Montana 59601.

2. Respondent shall pay \$35,000 as an administrative cost reimbursement to the CSI, which shall be paid to the Montana State Auditor within 30 days of the date of this Agreement. The check should be sent to the Office of the Commissioner of Securities and Insurance, Montana State Auditor, c/o Jameson C. Walker, 840 Helena Avenue, Helena, Montana 59601.

3. Respondent shall pay \$35,000 as a contribution to the Investor Protection Trust, which shall be used for educational purposes that benefit Montana residents and which will not be used to pay any further restitution to Montana investors. This contribution shall be paid in the form of a certified or bank check referencing this settlement made out to Investor Protection Trust within 30 days of the date of this Agreement. The check must be sent to Investor Protection Trust, c/o Don Blandin, Suite 300, 919 Eighteenth Street, NW, Washington, DC, 20006-5517. A copy of the check and any accompanying correspondence must be simultaneously mailed to the CSI.

4. The CSI agrees to dismiss the Notice and the Temporary Cease and Desist Order with prejudice as to all Respondents simultaneously with this Agreement.

5. The CSI agrees to the entry of an order, in the form that has been agreed upon by the parties and filed simultaneously with this Agreement, directing the Financial Regulatory Authority (FINRA) to expunge all references of the Notice and the Temporary Cease and Desist Order from the Central Registry Depository (CRD) for the Respondents James D. Nagengast, Steven F. McWhorter, Walter Thomas Cross, Kevin Joseph Miller, and Barbara Slobojan.

6. Within 10 days of the date of this Agreement, the Respondent agrees to withdraw its Motion for a Temporary Restraining Order and Permanent Injunction to Enforce Settlement Order currently pending before United States District Court in the Northern District of Texas, Dallas Division, Case No. 3:11-cv-1948-F, and request that the Court dissolve its Temporary Restraining Order as moot due to this Consent Order.

7. The Respondent agrees to place its registered representative, Gregg Sautter, on heightened supervision. See separate Heightened Supervision Agreement.

8. Respondent acknowledges that its authorized representative signing this Consent Agreement has read and understands each term of this Consent Agreement and that it enters into this Consent Agreement voluntarily and without reservation.

9. Respondent and the CSI agree that this Consent Agreement resolves the alleged violations set forth in the Notice.

10. Respondent and the CSI hereby acknowledge and agree that this Consent Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce Respondent to enter into this Consent Agreement.

11. With respect to the Notice, Respondent specifically and affirmatively waives a contested case hearing and its right to appeal under the Montana Administrative Procedures Act,

including Title 2, chapter 4, part 7, and elects to resolve this matter on the terms and conditions set forth therein.

12. The CSI warrants and represents that it does not now have any intent to bring any further action against any Respondents based upon the conduct alleged in the Notice.

13. Respondent fully and forever releases and discharges the CSI, and all CSI employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Notice.

14. This Agreement is entered without adjudication of any issue, law or fact. It is entered solely for the purpose of resolving the CSI's investigation and allegations, and is not intended to be used for any other purpose.

15. The parties acknowledge and agree that this Consent Agreement may not be modified orally, and any subsequent modifications to this Consent Agreement must be mutually agreed upon in writing with the same formality of this Consent Agreement to be effective.

16. The parties agree that this Consent Agreement shall be incorporated into and made part of the attached Final Order issued by the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner) herein.

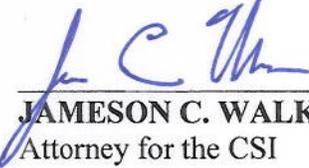
17. Respondent further understands that, upon the signing of the Final Order by the Commissioner or her representative, this Consent Agreement and Final Order will be an order of the CSI, the CSI has jurisdiction over the enforcement of the Order, and failure to comply with it may constitute separate violations of the Code, as provided in Mont. Code Ann. § 30-10-308, and may result in subsequent legal action by the CSI.

18. Upon execution of this Consent Agreement and payment pursuant to ¶¶ 1-3, the CSI shall fully and forever release and discharge Respondent, its employees, and its agents and representatives from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Notice and will not commence any further administrative, civil, or other legal action based upon the regulatory non-compliance alleged in the Notice.

19. This Consent Agreement shall be effective upon signing of the Final Order.

20. Respondent acknowledges that this Consent Order and Final Order are public records under Montana law and as such may not be sealed or otherwise withheld from the public.

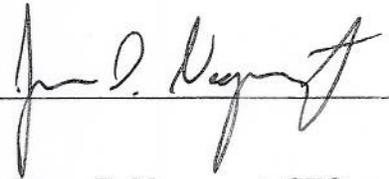
DATED this 14th day of March, 2012.



JAMESON C. WALKER
Attorney for the CSI

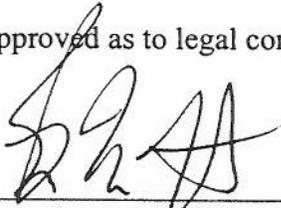
DATED this ____ day of March, 2012.

SECURITIES AMERICA, INC.

By: 

Its: James D. Nagengast, CEO

Approved as to legal content:



Bruce M. Bettigole, Esq.

Carmen Brun, Esq.

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P.O. Box 6580

Bozeman, MT 59771

Attorneys for Respondent

FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and §§ 30-10-101, MCA, et seq., and upon further review of the foregoing Consent Agreement and good cause appearing,

IT IS ORDERED that the foregoing Consent Agreement between the CSI and Respondent is hereby adopted as if set forth fully herein.

DATED this 14th day of March, 2012.

MONICA J. LINDEEN
Commissioner of Securities and
Insurance, Montana State Auditor



ADAM SCHAFFER
Deputy State Auditor

cc: Jameson C. Walker, CSI

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