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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

AUG -7 2006

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG

DOCKETED BY
SM *NR*

In the matter of:

PARKLANE INTERNATIONAL CORPORATION
1985 Queens Avenue
Vancouver, British Columbia
Canada V7V2X8

SYNDICATED GOLD DEPOSITORY S.A.
Fort Nassau Centre-West Wing
Malborough St., Suite N-4875
Nassau, Bahamas

Respondents.

DOCKET NO. S-03561A-04-0000

DECISION NO. 68873

ORDER TO CEASE AND DESIST, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME BY: RESPONDENT SYNDICATED GOLD DEPOSITORY S.A.

Respondent Syndicated Gold Depository S.A. ("SGD") elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order for Administrative Penalties and Consent to Same ("Order"). SGD admits the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

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I.

FINDINGS OF FACT

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3 1. Respondent Syndicated Gold Depository S.A. ("SGD") is a Bahamian registered
4 corporation, located at Fort Nassau Centre-West Wing, Malborough St., Suite N-4875, Nassau,
5 Bahamas.

6 2. SGD, along with Respondent Parklane International Corporation ("Parklane") have,
7 directly or indirectly, offered securities for sale, in or from the state of Arizona. Respondents were
8 not registered as securities salesmen or dealers, nor were the securities registered in Arizona.

9 3. Parklane solicited investors to invest their money into an investment program
10 operated by SGD. Investors enter into a written contract with SGD to invest between \$10,000 to
11 \$500,000 with it. SGD paid investors a return of 19.5% on their investment. SGD was to use the
12 money it raised from investors to loan to a mining company for that company to use as capital.
13 SGD would then pay investors their returns from the profits it earned from the mining company.
14

15 4. Parklane informed investors that SGD had entered into an agreement with
16 Merendon De Honduras, S.A. de C.V. ("Merendon") and Merendon Mining Corp. Ltd. of Canada
17 ("Merendon-Canada) to provide capital. Merendon was alleged to be a wholly own subsidiary of
18 Merendon-Canada. This capital is to be used to purchase gold and silver by Merendon. Parklane
19 told investors that Merendon owned a gold and metal refinery in Tegucigalpa, Honduras. Parklane
20 told investors that the Merendon refinery refined gold and silver from Central, North and South
21 America.

22 5. Respondents state that the SGD program has been running successfully since 1999.
23 Respondents told investors that they would pay investors 1.5% per month, or 19.5% compounded
24 monthly. Respondents' sales literature states that after 25 years of compounding, a \$100,000
25 investment will be worth \$8,700,000, with monthly income of \$130,000. Respondents informed
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1 investors that they could afford to pay such returns as Merendon's profit margins are 10% per each
2 ounce that is refined.

3 6. On December 24, 2003, the Pennsylvania Securities Commission issued a summary
4 order to cease and desist against PIC and SGD for violations of the Pennsylvania Securities Act. It
5 issued Findings of Fact, Conclusions of Law and Order against SGD on March 2, 2005.

6 7. Respondents began offering their investment program in Arizona since 2003. Since
7 that time, at least two Arizona residents have been offered the investment program. One Arizona
8 investor has invested \$150,000 with SGD. That investor is accredited. SGD has provided written
9 evidence to the Securities Division that it has contacted the investor and offered to refund his
10 investment. The investor has declined that offer.
11

12 II.

13 CONCLUSIONS OF LAW

14 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
15 Arizona Constitution and the Securities Act.

16 2. SGD offered or sold securities within or from Arizona, within the meaning of
17 A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

18 3. SGD violated A.R.S. § 44-1841 by offering or selling securities that were neither
19 registered nor exempt from registration.

20 4. SGD violated A.R.S. § 44-1842 by offering or selling securities while neither
21 registered as a dealer or salesman nor exempt from registration.

22 5. SGD's conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-
23 2032.

24 6. SGD's conduct is grounds for administrative penalties under A.R.S. § 44-2036.
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III.

ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and SGD's consent to the entry of this Order, attached and incorporated by reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that SGD, and any of SGD's agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act. SGD shall not sell any securities in or from Arizona without being registered in Arizona as dealers or salesmen, or exempt from such registration. SGD shall not sell securities in or from Arizona unless the securities are registered in Arizona or exempt from registration.

IT IS FURTHER ORDERED that SGD comply with the attached Consent to Entry of Order.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that SGD shall pay an administrative penalty in the amount of \$2,500. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full. If SGD does not comply with this order for administrative penalties, any outstanding balance may be deemed in default and shall be immediately due and payable.

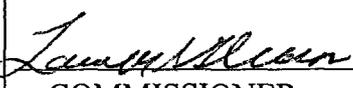
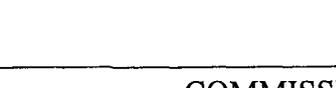
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1 IT IS FURTHER ORDERED, that if any SGD fails to comply with this order, the
2 Commission may bring further legal proceedings against that SGD, including application to the
3 superior court for an order of contempt.

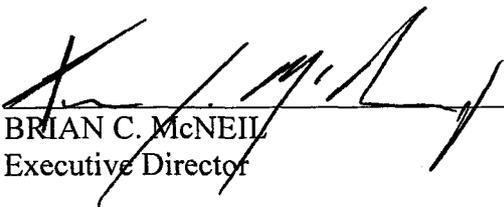
4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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8 CHAIRMAN COMMISSIONER

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11 COMMISSIONER COMMISSIONER COMMISSIONER

12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
13 Executive Director of the Arizona Corporation
14 Commission, have hereunto set my hand and caused the
15 official seal of the Commission to be affixed at the
16 Capitol, in the City of Phoenix, this 7th day of
17 August, 2006.

18 
19 BRIAN C. McNEIL
20 Executive Director

21 _____
22 DISSENT

23 _____
24 DISSENT

25 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant
26 to the Executive Director, voice phone number 602-542-3931, E-mail lhogan@azcc.gov.

(md)

CONSENT TO ENTRY OF ORDER

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2 1. Respondent Syndicated Gold Depository S.A. ("SGD") admits the jurisdiction of
3 the Commission over the subject matter of this proceeding. SGD acknowledges that it has been
4 fully advised of its right to a hearing to present evidence and call witnesses and SGD knowingly
5 and voluntarily waives any and all rights to a hearing before the Commission and all other rights
6 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona
7 Administrative Code. SGD acknowledges that this Order constitutes a valid final order of the
8 Commission.

9 2. SGD knowingly and voluntarily waives any right under Article 12 of the Securities
10 to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the
11 entry of this Order.

12 3. SGD acknowledges and agrees that this Order is entered into freely and voluntarily
13 and that no promise was made or coercion used to induce such entry.

14 4. SGD acknowledges that it has been represented by an attorney in this matter, it has
15 reviewed this Order with its attorney, Arly Richau, and understands all terms it contains.

16 5. SGD neither admits nor denies the Findings of Fact and Conclusions of Law
17 contained in this Order.

18 6. By consenting to the entry of this Order, SGD agrees not to take any action or to
19 make, or permit to be made, any public statement denying, directly or indirectly, any Finding of
20 Fact or Conclusion of Law in this Order or creating the impression that this Order is without
21 factual basis. SGD will undertake steps necessary to assure that all of its agents and employees
22 understand and comply with this agreement.

23 7. While this Order settles this administrative matter between SGD and the
24 Commission, SGD understands that this Order does not preclude the Commission from instituting
25 other administrative or civil proceedings based on violations that are not addressed by this Order.
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1 8. SGD understands that this Order does not preclude the Commission from referring
2 this matter to any governmental agency for administrative, civil, or criminal proceedings that may
3 be related to the matters addressed by this Order.

4 9. SGD understands that this Order does not preclude any other agency or officer of
5 the state of Arizona or its subdivisions from instituting administrative, civil or criminal
6 proceedings that may be related to matters addressed by this Order.

7 10. SGD agrees that it will not apply to the state of Arizona for registration as a
8 securities dealer or salesman or for licensure as an investment adviser or investment adviser
9 representative until such time as all penalties under this Order are paid in full.

10 11. SGD agrees that it will not exercise any control over any entity that offers or sells
11 securities or provides investment advisory services within or from Arizona until such time as all
12 penalties under this Order are paid in full.

13 14. SGD agrees that it will not sell any securities in or from Arizona without being
14 properly registered in Arizona as a dealer or salesman, or exempt from such registration; it will not
15 sell any securities in or from Arizona unless the securities are registered in Arizona or exempt
16 from registration; and it will not transact business in Arizona as an investment adviser or an
17 investment adviser representative unless properly licensed in Arizona or exempt from licensure.

18 15. SGD acknowledges and understands that if it fails to comply with the provisions of
19 the order and this consent, the Commission may bring further legal proceedings against it,
20 including application to the superior court for an order of contempt.

21 16. SGD agrees that until penalties are paid in full, SGD shall notify the Director of the
22 Securities Division within 30 days of any change in business address and any change in SGD's
23 ability to pay amounts due under this Order. SGD agrees that failure to perform any action in this
24 paragraph shall result in it being in default with any outstanding balance being immediately due
25 and payable without notice or demand.

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1 17. SGD understands that default shall render it liable to the Commission for its costs
2 of collection and interest at the maximum legal rate.

3 18. SGD agrees and understands that if it fails to make any payment as required in the
4 Order, any outstanding balance shall be in default and shall be immediately due and payable
5 without notice or demand. SGD agrees and understands that acceptance of any partial or late
6 payment by the Commission is not a waiver of default by the Commission.

7 19. SGD agrees that it will continue to cooperate with the Securities Division including,
8 but not limited to, providing complete and accurate testimony at any hearing in this matter and
9 cooperating with the state of Arizona in any related investigation or any other matters arising from
10 the activities described in this Order.

11 21. SGD consents to the entry of this Order and agrees to be fully bound by its terms
12 and conditions.

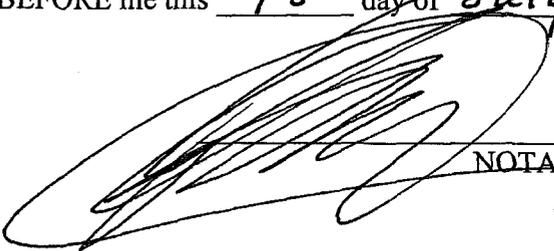
13 22. Graham Blaikie represents that he is authorized by law to enter into this Order
14 for and on behalf of SGD.

Syndicated Gold Depository S.A.

17
18 By 

19 Its President

20 SUBSCRIBED AND SWORN TO BEFORE me this 18th day of July, 2006.


NOTARY PUBLIC

23 My Commission Expires:

24 12/23/06
25



Larry L. Adair
My Commission DD173847
Expires December 23, 2006