STATE OF NORTH CAROLINA

Department of The Secretary of State

THE NORTH CAROLINA SECURITIES DIVISION,	)	
Petitioner,	)	**TEMPORARY ORDER TO CEASE & DESIST**
vs.	)	
PAUL GWAZ, aka PAUL GWAZDAUSKAS	)	
Respondent.	)	**FILE NO.** 05-024-CC

PURSUANT TO THE AUTHORITY granted by Chapter 78A of the North Carolina General Statutes (the North Carolina Securities Act), hereinafter referred to as the "Securities Act," and the rules promulgated thereunder, the Securities Division of the Department of the Secretary of State, hereinafter referred to as the "Division," has investigated the activities of **PAUL GWAZ** aka **PAUL GWAZDAUSKAS,** hereinafter referred to as Respondent, to determine if he has engaged in, or is about to engage in, any

act or practice constituting a violation of the Securities Act or any rule or order thereunder.

THE DIVISION has filed an Administrative Petition against the above-named Respondent seeking, among other remedies, a temporary and summary Cease and Desist Order pursuant to the provisions of N.C.G.S. §78A-47(b)(2).

THE SECRETARY OF STATE, acting by and through her duly authorized Deputy Securities Administrator, from the investigation and the information derived therein, and for the protection and preservation of the public welfare and in the public interest, makes the following:

FINDINGS OF FACT

(1) Respondent is a natural person operating a business at 2128 South Main Street, Winston-Salem, North Carolina, 27127.

(2) Beginning in 2004 Respondent offered and sold interests in New Build Land Trust, hereinafter the "Trust," which Respondent termed a Real Estate Trust, to various persons in North Carolina. Respondent represented to purchasers that the business of the Trust was to buy and re-sell for profit real property in North Carolina. Respondent promised that the purchaser of an interest in the Trust would receive all of their investment and a profit on that investment upon the re-sale of real property by the Trust.

(3) The offer and sale of an interest in the Trust constitutes the "offer" and "sale" of a "security," as those terms are defined pursuant to N.C.G.S. §§78A-2(8) and 78A-2(11).

(4) These securities were not registered under the North Carolina Securities Act prior to being offered and sold in North Carolina.

(5) Respondent GWAZ was not registered as a dealer or salesman of securities pursuant to the provisions of the North Carolina Securities Act prior to his offer and sale of the interests in the Trust.

(6) The Respondent presently continues to have the ability to offer and sell securities to persons in North Carolina in violation of the provisions of N.C.G.S. §§78A-24 and 78A-36.

CONCLUSIONS OF LAW

(1) The Secretary has statutory authority pursuant to N.C.G.S. §78A-47(b)(2) to enter and issue a temporary and summary Cease and Desist Order against the Respondent.

(2) There is reasonable cause to believe the Respondent has engaged in willful violations of the North Carolina Securities Act, specifically N.C.G.S. §§78A-24 and 78A-36.

(3) There is reasonable cause to believe the Respondent may continue to commit acts and omissions in violation of the North Carolina Securities Act.

(4) It is necessary and appropriate for the protection and preservation of the public interest that the Respondent be summarily ordered to cease and desist from making offers and sales of securities in violation of the North Carolina Securities Act.

(5) The public interest would be irreparably harmed by the delay inherent in issuing an order under the provisions of N.C.G.S. §78A-47(b)(1).

NOW, THEREFORE, IT IS ORDERED, pursuant to the authority contained in N.C.G.S. §78A-47(b)(2) that Respondent shall immediately cease and desist:

a. Offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, interests in New Build Land Trust or any other securities of any issuer, howsoever denominated, unless and until such securities have been registered pursuant to the provisions of the North Carolina Securities Act or such securities or transactions are exempt from such registration; and

b. Offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, interests in New Build Land Trust or securities in any form, howsoever denominated, unless and until Respondent becomes registered as a dealer or salesman, as applicable, of securities pursuant to the provisions of the North Carolina Securities Act.

NOTICE IS HEREBY GIVEN that the Respondent may request a hearing upon this matter by transmitting such request, in writing, to David S. Massey, Deputy Securities Administrator, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. A copy of any such request shall be served by first class mail upon Blackwell M. Brogden, Jr., Enforcement Attorney, Securities Division, Post Office Box 29622, Raleigh, North Carolina 27626-0622. If such a request is made, this matter shall be scheduled for hearing in accordance with Chapter 150B of the North Carolina General Statutes within twenty (20) days after receipt by the Deputy Securities Administrator of the written request. If no request for

hearing, other responsive pleading, or submission is received by the Deputy Securities Administrator within thirty (30) business days of the receipt of service hereof, this Temporary Order To Cease and Desist shall become final and remain in effect unless it is modified or vacated by the Secretary of State in her capacity as Administrator of the North Carolina Securities Act.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina Department of the Secretary of State, this the 11th day of January, 2008.

Time of entry: 9:55 A. M.

ELAINE F. MARSHALL
SECRETARY OF STATE
OF NORTH CAROLINA and
Securities Administrator

By:
David S. Massey
Deputy Securities Administrator