

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

**NORTHERN DEVELOPMENTS, LTD.
NOAH SIFUENTES**

Respondents.

ORDER TO SHOW CAUSE

Docket No. SD-08-0036

Docket No. SD-08-0037

It appears to the Director of the Utah Division of Securities (Director) that Northern Developments, Ltd. and Noah Sifuentes may have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over the Respondents and the subject matter is appropriate because the Division alleges that they violated § 61-1-1 (securities fraud) of the Act, while engaged in the offer and sale of a security in or from Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. Northern Developments, Ltd. (Northern Developments) was registered as a Nevada corporation without naming corporate officers on March 15, 2004, but its registration was revoked in April 2005. Northern Developments has never been registered as a foreign corporation in Utah.
3. Noah Sifuentes (Sifuentes) resides in Utah County, Utah. At all times relevant to the matters asserted herein, Sifuentes held himself out to be the president of Northern Developments.

GENERAL ALLEGATIONS

4. In or about March 2004, in Utah County, Utah, Sifuentes solicited investor JE to invest \$50,000 in Northern Developments for the specific purpose of buying building materials to construct a production plant in Mexico.
5. Sifuentes told JE that, once the plant was complete, it would manufacture thousands of inexpensive homes.
6. Sifuentes provided JE with a copy of a signed contract between the National Teachers Union and the International Labor Housing Development Corporation, to build homes for school districts and government employees in Mexico. Sifuentes told JE that Northern Developments was contracted to build these homes.
7. Sifuentes told JE that production would begin in August 2004, and that by November,

- Sifuentes expected Northern Developments to have completed 20 to 30 homes per month.
8. In return for JE's investment, Sifuentes told JE he would receive 200,000 shares of stock in Northern Developments.
 9. On or about June 2, 2004, Sifuentes received a letter from Sifuentes, via facsimile transmission, on Northern Developments' letter head, thanking JE for his investment and "willingness to help us jump-start this venture in Mexico." Included with the letter was JE's one-page "Stock Subscription Agreement" for Northern Developments stock, and a one-page document entitled "Member's Interest In Northern Developments, Ltd." Sifuentes signed both as president of Northern Developments.
 10. The Stock Subscription Agreement states that "Northern Developments, Ltd., hereby authorizes the assignment of 200,000 shares to [JE]." The Member's Interest in Northern Developments, Ltd. document, dated June 3, 2004, tells JE that he "currently hold[s] an interest of 200,000 shares in Northern Developments, Ltd."
 11. On July 1, 2004, JE sent \$50,000, via wire transfer, to Northern Developments' bank account at Zions Bank in Orem, Utah.
 12. In or about December 2005, JE contacted Sifuentes to find out what had become of JE's investment. Sifuentes told JE that things did not work out as planned and JE's investment funds had been spent.
 13. To date, JE has received no return on his investment and is still owed \$50,000 in principal alone. Additionally, JE never received the promised 200,000 shares of

Northern Developments stock.

14. Sifuentes and Ron Lewis (Northern Developments former secretary / treasurer) controlled the company's bank account. Bank records reveal that the majority (\$32,000) of JE's investment was used to pay Sifuentes' and Ron Lewis' consulting fees, instead of being used to purchase building materials. JE's money was also used to pay a prior investor, and to pay rent and other miscellaneous office expenses.

CAUSES OF ACTION

COUNT I

Securities Fraud under § 61-1-1 of the Act

15. The Division incorporates and re-alleges paragraphs 1 through 14.
16. The stock offered and sold by Northern Developments and Sifuentes to JE is a security under § 61-1-13 of the Act.
17. In connection with the offer and sale of a security to JE, Northern Developments and Sifuentes, directly or indirectly, made false statements, including, but not limited to, the following:
 - a. JE's investment funds would be used specifically to purchase building materials for the construction of a production plant in Mexico, when, in fact, JE's funds were used to pay Sifuentes' consulting fees, a prior investor, and miscellaneous office expenses; and
 - b. Northern Developments was involved in the agreement between the National

Teachers Union and the International Labor Housing Development Corporation which contemplated the building of inexpensive homes for school districts and government employees in Mexico.

18. In connection with the offer and sale of a security to JE, Northern Developments and Sifuentes, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:
- a. Some or all of the information typically provided in an offering circular or prospectus regarding Northern Developments, Ltd., such as:
 - i. Identities of the principals of Northern Developments along with their experience;
 - ii. The business and operating history for Northern Developments;
 - iii. Financial statements for Northern Developments;
 - iv. The nature of the competition and market for their services;
 - v. Current capitalization of the company;
 - vi. A description of past performance;
 - vii. Risk factors for investors;
 - viii. The number of investors;
 - ix. The liquidity of the investment;
 - x. Any conflicts of interest the issuer, the principals, or the agent may have

with regard to the investment;

- xi. Sales commissions;
- xii. Whether the investment is a registered security or exempt from registration; and
- xiii. Whether the person selling the investment was licensed.

19. Based upon the foregoing, Northern Developments and Sifuentes violated § 61-1-1 of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders the Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur on Tuesday, May 6th, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If the Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63-46b-11. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, the Respondents may show cause, if any they have:

- a. Why Northern Development, LLC and Noah Sifuentes should not be found to have engaged in the violations alleged by the Division in this Order to Show

Cause;

- b. Why Northern Development, LLC and Noah Sifuentes should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act; and
- c. Why Northern Development, LLC should not be ordered to pay a fine of one hundred thousand dollars (\$100,000) to the Division of Securities, which may be reduced by restitution paid to the victim; and
- d. Why Noah Sifuentes should not be ordered to pay a fine of one hundred thousand dollars (\$100,000) to the Division of Securities, which may be reduced by restitution paid to the victim.

DATED this 21st day of March, 2008.


THAD LEVAR
Acting Director, Utah Division of Securities



Approved:


JEFF BUCKNER
Assistant Attorney General

D. H.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
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**NORTHERN DEVELOPMENTS, LTD.
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NOTICE OF AGENCY ACTION

**Docket No. SD-08-0036
Docket No. SD-08-0037**

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of the mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46b-3 and 63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the mailing date of this notice, you are required to file an Answer with the Division. The Answer must include the information required by Utah Code § 63-46b-6 (1). In addition, you are required by § 63-46b-6 (3) to state: a) by paragraph, whether

you admit or deny each allegation contained in the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission; b) any additional facts or documents which you assert are relevant in light of the allegations made; and c) any affirmative defenses (including exemptions or exceptions contained within the Utah Uniform Securities Act) which you assert are applicable. To the extent that factual allegations or allegations of violations contained in the Order to Show Cause are not disputed in your Answer, they will be deemed admitted.

Your Answer, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Pam Radzinski
Division of Securities
160 E. 300 S., Second Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

Jeff Buckner
Assistant Attorney General
160 E. 300 S., Fifth Floor
Box 140872
Salt Lake City, UT 84114-0872
(801) 366-0310

A hearing date has been set for Tuesday, May 6th, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah.

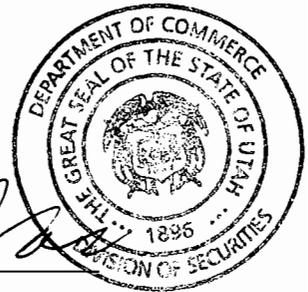
If you fail to file an Answer, as set forth herein, or fail to appear at the hearing, the Division of Securities may hold you in default, and a fine and other sanctions may be imposed

against you in accordance with Utah Code Ann. § 63-46b-11, without the necessity of providing you with any further notice. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, you may appear and be heard and present evidence on your behalf. You may be represented by counsel during these proceedings.

The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648. Pursuant to U.C.A. Subsection 63-46b-2(1)(h), Mr. Eklund is hereby designated as presiding officer for the purpose of conducting this formal administrative proceeding. Questions regarding the Order to Show Cause and Notice of Agency Action should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

DATED this 21st day of March, 2008.


THAD LEVAR
Acting Director, Division of Securities
Utah Department of Commerce



Certificate of Mailing

I certify that on the 21st day of MARCH, 2008, I mailed, via certified mail, a true and correct copy of the Order to Show Cause and Notice of Agency Action to:

Northern Developments, Ltd.
C/O Noah Sifuentes, President
1196 E. 1130 N.
Orem, UT 84097-4382

Certified Mail # 7004116000301956443

Noah Sifuentes, President
1196 E. 1130 N.
Orem, UT 84097-4382

Certified Mail # 7004116000301956450

Pam Raszinski
Executive Secretary