

STATE OF ARKANSAS  
SECURITIES DEPARTMENT

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IN THE MATTER OF

SIDNEY B. WOOD;  
GLACIER GOLD MINES, INC.; and,  
SURFACING TECHNOLOGY CORP.

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CEASE & DESIST ORDER

NO. 99-025-S

**CEASE AND DESIST ORDER**

The Arkansas Securities Department ("Department") has received information and has in its possession certain evidence which indicates that Sidney B. Wood ("Wood"), Glacier Gold Mines, Inc. ("Glacier"), and Surfacing Technology Corp. ("Surfacing") have violated provisions of the Arkansas Securities Act ("Act"), Ark. Code Ann. § 23-42-101 *et seq.*

**FINDINGS OF FACT**

1. According to documents and information received by the Department, Glacier is a Nevada corporation with offices located in Southampton, New York. The President is Dale B. Finrock, Jr. ("Finrock") at P.O. Box 669, Palm Beach, Florida 33480. Glacier's status in Nevada is "revoked".
2. According to documents and information received by the Department, Surfacing is described as a Nevada corporation; however, the website of the Nevada Secretary of State has no record of 'Surfacing Technology' or 'Sidney Wood'. The website of the Florida Division of Corporations indicates Surfacing's current status as "admin[istrative] dissolution for annual report" on September 26, 1997. The principal address is the same as that of Glacier in paragraph 1., above. Surfacing's offices are represented to be located in Southampton, New York
3. According to documents and information received by the Department, Wood is identified Chairman of Glacier and Surfacing.
4. Wood sold stock in Glacier to an Arkansas resident on or after August 15, 1997. Wood also sold Glacier stock to two other Arkansas residents.
5. Pursuant to a letter dated February 15, 1998 (attached hereto as Exhibit 1), Wood transferred shares of Surfacing to shareholders of Glacier, ostensibly as a gift, to compensate for the absence of any actual business and earnings at Glacier.
6. In an effort to allay investor concern about Wood and Glacier, Wood represented to Arkansas investors that Surfacing had applied for its stock to be traded on the "NASDAQ exchange". Such representation was false.
7. In a May 1999 phone conversation with a Department representative, Wood stated that Glacier "has no money". Wood further stated he could not account for the money invested by Arkansas investors.
8. The stock of Glacier and Surfacing are securities as that term is defined by the Act, Ark. Code Ann. § 23-42-102 (15) (A). According to the records of the Arkansas Securities Commissioner, these securities are not registered with the Commissioner, nor has an exemption from registration been filed and approved by the Commissioner. Further, the securities are not "covered securities" as defined by the Act. Ark. Code Ann. § 23-42-102 (4).

9. Glacier and Surfacing are each an "issuer" as that term is defined by the ACT, to-wit: "every person who issues or proposes to issue any security . . ." Ark. Code Ann. § 23-42-102 (9).
10. Wood is an "agent" as that term is defined by the Act, to-wit: "any individual . . . who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities." Ark. Code Ann. § 23-42-102 (2) (A).

### **CONCLUSIONS OF LAW**

11. Ark. Code Ann. § 23-42-201 gives the Arkansas Securities Commissioner authority to administer the provisions of the Act.
12. Ark. Code Ann. § 23-42-209 (a) (1) provides that, when it appears to the Commissioner that sufficient grounds or evidence exists that any person has violated or is about to violate any provision of the Act, the Commissioner may summarily order the person to cease and desist from that act or practice.
13. Ark. Code Ann. § 23-42-301 (a) provides that it is unlawful for any person to transact business in this state as a broker-dealer or agent unless he is registered under this chapter.
14. Ark. Code Ann. § 23-42-301 (b) provides that is unlawful for any issuer to employ an unregistered agent.
15. Ark. Code Ann. § 23-42-501 provides that it is unlawful for a person to offer or sell any security in this state unless the security is registered in accordance with the Act, exempt from that registration, or a covered security.
16. Ark. Code Ann. § 23-42-507 states:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly:

- (1) To employ any device, scheme, or artifice to defraud;
- (2) 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; or
- (3) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

### **OPINIONS**

17. For reasons set forth herein, and based upon Findings of Fact and Conclusions of Law recited above, it is the opinion of the Commissioner that:
18. This matter has been properly brought before the Commissioner.
19. The stock of Glacier and Surfacing are securities subject to the registration requirements of the Act.
20. Wood effected the offer and sale of the stock of Glacier and Surfacing in Arkansas.
21. The stock of Glacier and Surfacing have not been registered with the Department, neither are they exempt from that registration nor are they covered securities.
22. Wood is not registered with the Department as an agent of the issuer for Glacier or Surfacing.

23. Wood and Glacier have engaged in fraud, in violation of Ark. Code Ann. § 23-42-507, in that they engaged in a course of business which deceived or could deceive Arkansas residents into believing the offer and sale of the stock in Arkansas was lawful.
24. Wood and Glacier have engaged in fraud, in violation of Ark. Code Ann. § 23-42-507, in that they withheld material information about Glacier's lack of production, and represented that Surfacing had made application to have Surfacing stock publicly traded on NASDAQ.
25. Wood, Glacier, and Surfacing should immediately cease and desist from further solicitation and/or sale of the stock of Glacier or Surfacing or any other similar instrument or contract.
26. Wood, Glacier, and Surfacing should immediately cease and desist from the collection of funds from any Arkansas resident.
27. This order is in the public interest.

**ORDER**

IT IS THEREFORE ORDERED THAT Sidney B. Wood, Glacier Gold Mines, Inc. and, Surfacing Technology Corp. and the Directors, Officers, Employees and Agents Of Glacier Gold Mines, Inc. and, Surfacing Technology Corp. CEASE AND DESIST from any future action in the State of Arkansas in connection with the offer and sale of securities.

WITNESS MY HAND AND SEAL this 2nd day of June 1999.

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MAC DODSON  
SECURITIES COMMISSIONER