

**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: Mark Sinkinson, CEO
Phillip A. Berlin, President
S.K.B. Trading Group, Inc.
19751 Dorado Drive
Trabuco Canyon, CA 92679

4695 MacArthur Court, 11th Floor
Newport Beach, CA 92660

13766 Alton Parkway #143
Irvine, CA 92618

DESIST AND REFRAIN ORDER

The California Corporations Commissioner finds that:

1. Beginning as early as October 2000, S.K.B. Trading Group, Inc. ("SKB"), a California corporation, offered and sold joint venture participation interests. Mark Sinkinson is CEO and Phillip A. Berlin is the President of SKB. SKB represented that it would be the Joint Venture Manager, with sole responsibility and authority to manage and direct the joint venture activities for the benefit of the parties. SKB represented that it was experienced and successful in speculative investment strategies, such as foreign currency trading and factoring, and that it would employ these methods to create a promised 15% return on the investors' principal.

2. SKB represented that it would contribute its rights to the joint venture to manage, negotiate, execute and hypothecate The Frank H. Gilbert Family Trust on behalf of beneficiary Ronald Keith Gilbert. SKB represented that the Trust's assets collateralized, dollar for dollar, the investors' principal with cash or cash equivalents, so as to guarantee the return of the investors' principal. SKB promised to return the investors' principal after one year. Since December 2001, investors have sought repayment of the principal amounts of their investment, without success.

3. The Department of Corporation has not issued a permit or other form of qualification authorizing any person to offer and sell the joint venture participation interests offered by SKB in this state. Further, these securities were not exempt from the qualification requirement under Section 25110 of the California Corporate Securities Law of 1968.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the joint venture participation interests are securities subject to qualification under the California Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified. Pursuant to Corporations Code Section 25532, Mark Sinkinson, Phillip A. Berlin and S.K.B. Trading Group, Inc., are hereby ordered to desist and refrain from the

further offer or sale in the State of California of securities in the form of joint venture participation interests, unless and until qualification has been made under said law or unless exempt. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies and provisions of the Corporate Securities Law of 1968.

Dated: August 21, 2002
Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
ALAN S. WEINGER
Supervising Counsel
Enforcement and Legal Services Division