



## II. FINDINGS OF FACT

The previous paragraphs are incorporated herein by reference.

1. Respondent Brixon Group (hereinafter “Brixon”) is a business corporation whose last known business address is 1616 East Main, Suite 206, Mesa, AZ 85203.

2. Respondent Alvin J. McCool (hereinafter “McCool”) is an adult natural person whose last known address is 1616 East Main, Suite 206, Mesa, AZ 85203, and who was at all times relevant herein an Investment Representative of Brixon.

3. Respondent Don Manning (hereinafter “Manning”) is an adult natural person whose last known address is 1616 East Main, Suite 206, Mesa, AZ 85203, and who was at all times relevant herein an Investment Representative of Brixon.

4. Respondents sold investments to Mississippi residents in the form of Capital Private Placements (hereinafter “CPP”).

5. The Division issued a Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty (hereinafter “Summary Order”) against Respondents. A certified copy of the Summary Order was issued to all Respondent’s on October 4, 2004. The Summary Order was returned as unclaimed.

6. The Division then issued a notice of Service of Process on the Secretary of State’s Office, and mailed another certified copy of the Summary Order to all Respondents on November 4, 2004. The Division also served a copy on itself on November 4, 2004. The copy of the Summary Order sent to the Respondents was again returned as unclaimed.

7. The Summary Order specified that should the Respondents want to contest the allegations alleged in the Summary Order they should submit a written request to the Division within thirty (30) days of receipt of the order.

8. Respondents have failed to request a hearing or otherwise respond to the Summary Order.

9. A check of the records required to be maintained by the Division reveals that Respondents are not registered to sell securities in the State of Mississippi.

10. A check of the records required to be maintained by the Division reveals no registration for CPPs offered, sold or issued by Brixon in the State of Mississippi.

### III. APPLICABLE LAW

The previous paragraphs are incorporated herein by reference.

11. §75-71-401 of the Act states in part:

...it is unlawful for any person to offer or sell any security in the State of Mississippi unless (1) it is registered under this chapter or (2) the security or transaction is exempted under Article 3 of this chapter....

12. §75-71-301 of the Act states in part:

...it is unlawful for any ... issuer to employ an agent unless the agent is registered... [and] it is unlawful for any person to transact business in this state as a[n] agent unless he is registered under this chapter.

13. §75-71-105(k) of the Act states in part:

“Person” means an individual,...corporation [or] partnership....

14. §75-71-105(n) of the Act states:

"Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting-trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease; interest in a limited partnership; viatical settlement investment contract or a fractionalized or pooled interest therein; or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in,

temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

15. §75-71-119 of the Act states in part:

- (a) ...Section ...75-71-401...appl[ies] to persons who sell or offer to sell when (1) an offer to sell is made in this state....
- (b) an offer to sell is made in this state, whether or not either party is then present in this state, when the offer (1) originates from this state or (2) is directed by the offeror to this state...

#### **IV. CONCLUSIONS OF LAW**

The previous paragraphs are incorporated herein by reference.

16. The CPPs offered and sold by Respondents are securities as that term is defined in §75-71-105(n) of the Act.

17. These securities are not eligible for exemption from registration under the Act.

18. These securities were offered and sold to residents of the State of Mississippi as defined in §75-71-119 of the Act.

19. These securities have not been duly registered in violation of §75-71-401 of the Act.

#### **V. ADMINISTRATIVE PENALTY**

20. Upon consideration of the factors enumerated in §75-71-715(2)(b) of the Act, the Secretary of State finds that an administrative penalty in the amount of Fifty Thousand Dollars (\$50,000.00) shall be assessed against each Respondent. Payment shall be remitted to the “Mississippi Secretary of State’s Office” within fifteen (15) days of the receipt of this Final Order.

#### **VI. PUBLIC INTEREST**

21. This Final Cease and Desist Order and Order Imposing Administrative Penalty serves the public interest and the protection of investors consistent with the purpose of the Act.

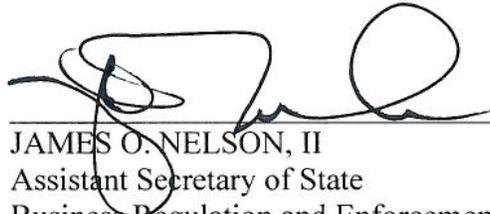
**VII. ORDER**

22. IT IS THEREFORE ORDERED, pursuant to the authority set out in §75-71-715(1) of the Act, that Respondent shall permanently Cease and Desist from any further activity in, or originating from, the State of Mississippi in connection with the offer and/or sale of Securities to any person without the Securities being duly registered or exempted from registration under the Act and Respondent being duly registered pursuant to the Act.

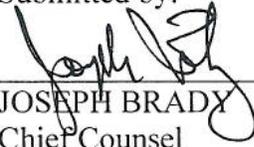
ENTERED, this the 7<sup>th</sup> day of December 2004.

ERIC CLARK  
Secretary of State  
State of Mississippi

BY:

  
\_\_\_\_\_  
JAMES O. NELSON, II  
Assistant Secretary of State  
Business Regulation and Enforcement

Submitted by:

  
\_\_\_\_\_  
JOSEPH BRADY  
Chief Counsel

Division of Business Regulation and Enforcement  
Mississippi Secretary of State's Office  
Post Office Box 136  
Jackson, Mississippi 39205  
(601) 359-1650

**CERTIFICATE OF SERVICE**

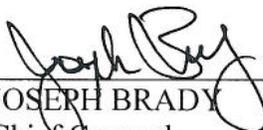
I, Joseph Brady, do hereby certify that I have this day mailed via United States Certified Mail, postage pre-paid, a true and correct copy of the **FINAL CEASE AND DESIST ORDER AND ORDER IMPOSING ADMINISTRATIVE PENALTY** to the following:

**Brixon Group** ✓  
**1245 West Guadalupe Road**  
**Mesa, AZ 85202**

**Alvin J. McCool**  
**1616 East Main, Suite 206**  
**Mesa, AZ 85203**

**Don Manning**  
**1616 East Main, Suite 206**  
**Mesa, AZ 85203**

This the 8 day of December 2004.

  
\_\_\_\_\_  
JOSEPH BRADY  
Chief Counsel