

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
CHARITIES DIVISION**

IN THE MATTER OF :)	
)	Administrative Proceeding
)	Number: LC-13-0682
BIT BY BIT EQUINE)	
3127 Greenfield Road, Lot 364)	
Pearl, Mississippi 39208)	
<i>Respondent</i>)	

**FINAL CEASE AND DESIST ORDER AND
ORDER IMPOSING ADMINISTRATIVE PENALTY**

The SECRETARY OF STATE OF MISSISSIPPI, Charities Division (herein "Division") by and through the undersigned designated representative, after having served a Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty against BIT BY BIT EQUINE (herein "Bit by Bit"), hereby issues this Final Cease and Desist Order and Order Imposing Administrative Penalty:

I. JURISDICTION

The Secretary of State is vested with the regulation of charitable organizations that solicit donations in the State of Mississippi pursuant to Miss. Code Ann. §79-11-501, *et seq.* (Rev. 2009). Bit by Bit is a charitable organization as defined by Miss. Code Ann. §79-11-501(a)(i) (Rev. 2009), and therefore subject to the Secretary of State's regulatory authority. The Secretary of State, therefore, finds that he has jurisdiction over the subject matter and party herein.

II. FINDINGS OF FACT

1. On October 25, 2010, documents were filed with the Business Services Division of the Secretary of State's Office incorporating Bit by Bit as a non-profit corporation. The documents list Stephanie Barnes as one of the incorporators and registered agent. While Bit by

Bit is currently incorporated as a nonprofit organization, despite many requests, it has not properly registered as a charity organization to solicit donations in the State of Mississippi.

2. On January 10, 2013, the Division received a call indicating that Bit by Bit was soliciting contributions. A check of the records revealed that Bit by Bit was not registered with the Division to solicit contributions as required by Miss. Code Ann. §79-11-503(1) (Rev. 2009).

3. The Division also determined that Bit by Bit was soliciting contributions via Facebook.

4. On January 11, 2013, the Division mailed a letter to Bit by Bit indicating that it would need to register if it was soliciting contributions in the State of Mississippi. Bit by Bit was to respond to the letter by January 18, 2013.

5. Having received no response to the January 11th letter, the Division sent a second letter to Bit by Bit on February 14, 2013.

6. On February 15, 2013, the Division received a call from Lisa Reyes, one of the Incorporators and Mother of Stephanie Barnes. Ms. Barnes is the Director of Bit by Bit. Ms. Reyes indicated that she would have Ms. Barnes give the Division a call. Ms. Reyes also gave the Division a new address for Ms. Barnes.

7. On March 20, 2013, the Division sent a third letter to Bit by Bit. This letter was sent to the new address given to the Division by Ms. Reyes.

8. Still receiving no response, the Division hand delivered another copy of the letter, registration forms, and exemption forms to Ms. Barnes at her home.

9. Bit by Bit failed to respond this request as well so the Division issued a Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty on June 4, 2013. This Order was mailed by certified mail. The Division didn't received the card back indicating

that Bit by Bit received the Order so on June 25, 2013 another copy of the Order was mailed to Bit by Bit by FedEx.

10. After receiving the Order, Ms. Barnes called the Division on June 26, 2013. Ms. Barnes indicated that she didn't know that there was a deadline to complete the registration. The Division gave Ms. Barnes until July 26, 2013 to submit Bit by Bit registration.

11. On July 23, 2013 Ms. Barnes called the Division again and indicated that she was in the process of completing the exemption form and that she would mail the form the next day.

12. To date, the Division has not received the registration/exemption forms for Bit by Bit. Neither has the Division received a request for an administrative hearing. Therefore, issuance of this Final Cease and Desist Order and Order Imposing Administrative Penalty is appropriate.

III. CONCLUSIONS OF LAW

13. According to Miss. Code Ann. §79-11-503(1) (Rev. 2009), every charitable organization which solicits or intends to solicit contributions shall file with the Secretary of State a registration statement and pay a filing fee of Fifty Dollars (\$50.00). Bit by Bit has failed to file a registration statement or an exemption form and is, therefore, in violation of this provision.

14. Bit by Bit has solicited donations as defined by Miss. Code Ann. § 79-11-501(j) (Rev. 2009) during the period of non-registration. Bit by Bit is in violation of the Act and is, therefore, subject to the provision of Miss. Code. Ann. § 79-11-509 (Rev. 2009), including the issuance of a cease and desist order with or without a prior hearing, revocation, denial, or suspension of registration, and imposition of an administrative penalty by the Secretary of State.

IV. PUBLIC INTEREST

The actions taken and proposed to be taken herein by the Secretary of State are in the public interest and are consistent with the purposes set out in Miss. Code. Ann. §79-11-501, *et seq.* (Rev. 2009).

V. FINAL ORDER

IT IS THEREFORE ORDERED, pursuant to Miss. Code Ann. §79-11-509 (4), that Bit by Bit shall immediately and permanently CEASE AND DESIST soliciting charitable contributions in and from the State of Mississippi as defined by Miss. Code Ann. §79-11-501.

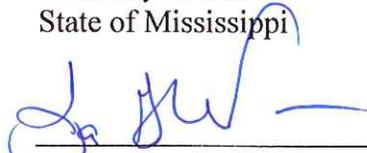
IT IS ALSO ORDERED, that Bit by Bit pay an administrative penalty in the amount of One Thousand Dollars (\$1,000.00), made payable to the Mississippi Secretary of State upon execution of this Order.

BE ADVISED THAT, a willful violation of this Final Cease and Desist Order and Order Imposing Administrative Penalty may be punishable upon conviction by a fine of not more than Twenty-Five Thousand Dollars (\$25,000.00) or five (5) years imprisonment, or both, in addition to civil and administrative remedies to the Division.

SO ISSUED, this the 27th day of September, 2013.

C. DELBERT HOSEMANN, Jr.
Secretary of State
State of Mississippi

BY:



TANYA G. WEBBER
Assistant Secretary of State
Charities Division
Mississippi Secretary of State's Office