

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
REGULATION AND ENFORCEMENT**

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<b>IN THE MATTER OF:</b>	)	<b>ADMINISTRATIVE</b>
<b>WORLD WIDE ALLOYS OF MS, LLC</b>	)	<b>PROCEEDING NUMBER:</b>
<b>610 HIGHWAY 80</b>	)	<b>LM-15-1245</b>
<b>VICKSBURG, MS 39180</b>	)	<b>SOS REGISTRATION NO.</b>
	)	<b>140526537</b>
	)	
<i>Respondent</i>	)	

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**FINAL ORDER**

This cause came before a hearing officer on April 7, 2015. On July 8, 2015, the hearing officer submitted his proposed Findings of Fact and Conclusions of Law, attached as Exhibit A, to the Respondent and to the Undersigned. Respondent, World Wide Alloys of Mississippi, LLC, was afforded an opportunity to submit any written comment or input to the Secretary of State before issuance of a Final Order in this cause. Respondent submitted a written response on or about July 16, 2015, for consideration by the Undersigned. As such, this case stands ready for final adjudication via this Final Order.

Having reviewed the proposed Findings and Facts and Conclusions of Law issued by the hearing officer in this cause, the Undersigned accepts and adopts, with modifications explained herein, the hearing officer's recommendations for Findings of Fact and Conclusions of Law. The same, which are attached as Exhibit A, are fully incorporated into the content of this Final Order. With regard to the recommended penalty only, however, the Undersigned makes the following modifications.

**IT IS HEREBY ORDERED**, that World Wide Alloys of Mississippi, LLC, shall pay an administrative penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), to be paid to the Secretary of State on or before Friday, September 18, 2015. The hearing officer has

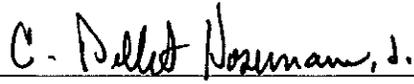
recommended a penalty in the amount of One Thousand Dollars (\$1,000.00). The payment of cash on the spot for regulated metal purchases prohibited by Mississippi Code Annotated Section 97-17-71(8), however, is an egregious violation of the Mississippi Scrap Metal Dealer Act of 2008 and cannot be explained by software complications. The purchase of railroad material itself coupled with the complete failure to capture **any** of the identifying information from the Division's Examiner and other customers is equally troubling--not mere oversight. For these reasons, an increase in the penalty to Two Thousand Five Hundred Dollars (\$2,500.00) is warranted.

**IT IS HEREBY ORDERED**, that the Mississippi Scrap Metal Dealer Registration for World Wide Alloys of Mississippi, LLC, Registration NO. 140526537, shall be suspended for a period of sixty (60) days during which time the business is prohibited from purchasing any property defined as metal property by the Mississippi Scrap Metal Dealer Act, codified at Mississippi Code Annotated Section 97-17-71(1)(e) (Rev. 2014). Such period of suspension shall run from 8:00 a.m. on Monday, September 21, 2015, and extend through Thursday, November 19, 2015, at 5:00 p.m.

**FUTHER, IT IS HEREBY ORDERED**, that World Wide Alloys of Mississippi, LLC, shall immediately and permanently **CEASE and DESIST** with same day cash payment of regulated metal property.

**SO ORDERED and ADJUDGED.**

This, the 7 day of August, 2015.

  
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C. DELBERT HOSEMANN, JR.  
*In his official capacity as Secretary of  
State of the State of Mississippi*



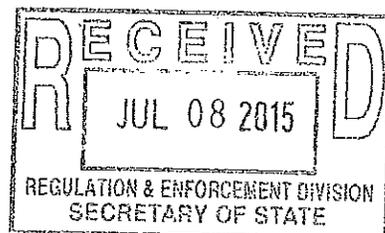
OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
REGULATION AND ENFORCEMENT DIVISION

IN THE MATTER OF:

WORLD WIDE ALLOYS OF MISSISSIPPI, LLC

SOS REGISTRATION NO. 140526537

SOS CAUSE NO. LM-15-1245



FINDINGS OF FACT AND CONCLUSIONS OF LAW

The undersigned was appointed by the Secretary of State of the State of Mississippi to conduct a hearing and issue a Findings of Fact and Conclusions of Law in the referenced matter. A hearing was held before the undersigned on April 7, 2015, at the offices of the Secretary of State, at which David Penson, Examiner and Regulation and Enforcement Officer for the Mississippi Secretary of State, appeared and at which Lisa Ashcraft and Randy Ashcraft, owners of World Wide Alloys, appeared on behalf of World Wide Alloys. The said David Penson Testified and was represented by counsel for the Mississippi Secretary of State. He presented exhibits along with his testimony. Lisa Ashcraft presented testimony and exhibits on behalf of the Respondent.

FINDINGS OF FACT

1. The Secretary of State made allegations of violations of the Mississippi Code Annotated § 97-17-71 and/or the Secretary of State Regulations, They are:
  - A. Records of required information were not being kept for each transaction as required by the Scrap Metal Law, Code MCA 97-17-71(2). Specifically, the Respondent failed to obtain and record (1) the name, address, and age of the seller from his personal identification card, (2) the vehicle license tag number and state of issue, make and model of the vehicle delivering metal property, (3) a signed statement that the seller is the rightful owner of the property being sold, and (4) a photograph showing the facial



features of the seller. In addition, the Respondent failed to record an accurate description of the materials as required under § 97-17-71(2)(c). Each required piece of information that is not recorded is a separate violation punishable by fine not to exceed One Thousand Dollars (\$1,000.00) per offense.

- B. The Respondent paid cash for regulated copper and railroad materials sold by Mr. Penton as part of his examination. As required by Code MCA 97-17-71(8), a purchaser shall not enter into any cash transactions in the payment for purchases of regulated materials. Payment shall be made by check issued to the seller of the metal, made payable to the name and address of the seller and mailed to the recorded address of the seller, or by electronic funds transfer. Additionally, payment shall not be made for a period of three (3) days after the purchase of the transaction. A violation of this Section is a misdemeanor punishable by fine not to exceed One Thousand Dollars (\$1,000.00) per offense.
- C. A purchaser is required under M.C.A. § 97-17-71(3) to hold purchased metal property in a separate and identifiable form for three (3) days to photographically capture the metal property and maintain the photograph for a period of not less than two (2) years. Additionally, the date and time of the purchase shall be digitally recorded on the photograph and the identity of the person taking the photograph shall be recorded. The Respondent placed the regulated materials sold by Mr. Penton in piles or containers with other materials on the day when Mr. Penton sold the materials. A violation of this Section is a misdemeanor punishable by a fine of not to exceed One Thousand Dollars (\$1,000.00) per offense.
- D. Scrap metal Dealers must keep an accurate and legibly record of purchases and the report must be electronically submitted. Rule 5.1 in part 13, Chapter 5 MCA 97-17-71.1(1)(b), of the Secretary of State's Regulations requires that applicants for registration and registered Scrap Metal Dealers must keep accurate and legible records pursuant to the Act. Applicants and Scrap Metal Dealers shall comply with the record keeping

requirements of the Act by submitting a Customer Transaction Report for each purchased transaction. The Customer Transaction Report must be submitted electronically to the Agent, who shall keep and maintain all electronics records pursuant to the Act. Customer Transaction Reports must be uploaded to the Secretary's Agent no later than the close of business (5:00 p.m.) of the next business day following the date of purchase by the Dealer. The Respondent's purchase from Mr. Penson had not been posted to Leads Online within the time permitted for upload. Additionally, three (3) transactions on January 13, 2015 were submitted without required information. The failure to upload is a misdemeanor and is punishable by a fine of up to One Thousand Dollars (\$1,000.00) per ticket.

2. Lisa Ashcraft, as stated, representing the Respondent, testified that she was new to the business, was under pressure from the Christmas season, and had attempted unsuccessfully to get help with software issues that had prevented her from uploading complete transaction records.
3. In summary, the evidence of the Secretary of State establishes the commission of the alleged acts, and the evidence of the Respondent does not refute the commission of the alleged acts, but, as stated, offers explanations designed to establish a lack of intent to violate the regulations and statutes.

#### **CONCLUSIONS OF LAW**

1. The Secretary of State has established, as found above, fifteen (15) separate violations of violations of the regulations and statutes regulating Scrap Metal Dealers in Mississippi, and that the permitted fines for these violations described in Subparagraphs (a), (b), (c), and (d) above total \$15,000. These violations additionally constitute grounds for the Secretary to deny, suspend, revoke, or refuse to renew the Respondent's registration as a scrap metal dealer.
2. The only issue raised by the Respondent is that the violations were not intentional. She was inexperienced with the scrap metal business and under pressure and was making what she

believed were reasonable efforts to obtain support for the business's software. Her attitude was submissive and she exhibited and stated her intention to obey the law.

**CONCLUSION AND AWARD**

The hearing officer finds that World Wide Alloys has violated Mississippi laws and regulations of the Secretary of State relating to the regulation of scrap metal sales in the manner as found above, and the penalties applicable to those violations as set forth above.

World Wide Alloys could be indebted to the Secretary of State of the State of Mississippi in the sum and amount of Fifteen Thousand Dollars (\$15,000.00) for the enumerated violations of Mississippi laws and the applicable regulations of the Secretary of State, and could have its dealer's license permanently revoked or denied. However, the Hearing Officer, because of the facts in this case, recommends a fine of a total of One Thousand Dollars (\$1,000.00) for the violations described in Subparagraphs (a)-(e) of Paragraph 1. The Hearing Officer further recommends that World Wide Alloys' operating privileges be suspended for sixty (60) days so that the Respondents can make all necessary changes to their computer and electronic systems to fully comply with the law upon reopening.

WITNESS MY SIGNATURE on this the 3<sup>rd</sup> day of July, 2015.



MATT A. BALDRIDGE  
Hearing Officer