DEPARTMENT OF INSURANCE AND FINANCE
SECURITIES SECTION
BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND FINANCE
STATE OF OREGON

In the Matter of: ATLANTA-ONE, INC., a California corporation, Respondent.	E7-42 STATEMENT OF FACTS AND CONSENT TO ENTRY OF CEASE & DESIST ORDER

I. STATEMENT OF FACTS

Respondent states:

1. Atlanta-One, Inc., a California corporation, (Respondent) is registered in Oregon as a broker-dealer. The Oregon business address is 4380 SW Macadam Avenue, Suite 260, Portland, OR 97201. The corporate headquarters office is located at 3151 Airway, Suite S-2, Costa Mesa, CA 92626.

2. Respondent employs salespersons to effect transactions in the State of Oregon on its behalf. On or about August 25, 1986, September 23, 1986, and January 1987, the staff of the Securities Section advised Respondent that Oregon registration requirements for its salespersons were not being met.

3. During the period June 27, 1986 through September 26, 1986 Respondent employed Willis G. Neal as an unregistered salesperson. During this period, Mr. Neal solicited and effected transactions in securities for at least five different customers.

4. During the period July 15, 1986 through September 23,

1986 Respondent employed Thomas Raymond Doak as an unregistered salesperson. During this period, Mr. Doak solicited and effected transactions in securities for at least two different customers.

5. During the period June 10, 1986 through September 25, 1986 Respondent employed Ted Joseph Riehl as an unregistered salesperson. During this period, Mr. Riehl solicited and effected transactions in securities for at least four customers.

6. During the period March 31, 1987 through April 10, 1987 Respondent employed Leland Paul Armstrong as an unregistered salesperson. During this period, Mr. Armstrong solicited and effected transactions in securities for at least two customers.

7. During the period April 28, 1987 through May 8, 1987 Respondent employed Jesse Duane Colvin as an unregistered salesperson. During this period, Mr. Colvin solicited and effected transactions in securities for at least two customers.

II. CONSENT TO FINDINGS

Respondent consents to the following findings:

1. Respondent employed unregistered salespersons who solicited and effected transactions in securities in Oregon in violation of ORS 59.165.

2. Respondent, in the course of setting up broker-dealer offices in several states, relied upon the belief that salespersons previously licensed and registered in other states, were automatically registered in Oregon at the time the

broker-dealer business was registered in Oregon.

3. Respondent's reliance did not obviate Respondent's duty to verify that salespersons employed by Respondent were registered to conduct securities business in the State of Oregon.

4. Prior to execution of this Consent to Entry of Order, all of the above named salespersons employed by Respondent were duly registered and the violations corrected.

III. CONSENT TO ENTRY OF CEASE AND DESIST ORDER

Respondent consents to the Director entering an Order based upon the above Statement of Facts and Consent to Findings, ordering Respondent to Cease and Desist from employing unregistered salespersons to solicit and transact offers of securities in the State of Oregon or engaging in any violation of ORS Chapter 59.

Pursuant to ORS 59.995, Respondent consents to the Director entering a fine against Respondent of $2,000.

Respondent enters into this Consent to Entry of Order without any force or duress.

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Respondent understands that the Director reserves the right to take further actions against Respondent upon discovery of other violations of Oregon law by Respondent.

Dated this 22 day of March, 1988.

KEVIN MCCARTHY
PRESIDENT
ATLANTA-ONE, INC.

SUBSCRIBED AND SWORN to before me this 22nd day of March, 1988.

Notary Public for ~~Oregon~~ California
My commission expires: June 18, 1991

OFFICIAL SEAL
JOHN M. TAYLOR
Notary Public - California
ORANGE COUNTY
My Commission Expires June 18, 1991

Attorney for Respondent

DEPT OF INSURANCE & FINANCE
MAR 23 1988
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