

State of Missouri
Office of Secretary of State

Case No. AP-06-07

IN THE MATTER OF:

EMERGING TECHNOLOGIES
DEVELOPMENT COMPANY;
EMERGING TRCHNOLOGIES
INVESTMENT GROUP, L.L.C; and
WILLIAM P. ALEXANDER,

Serve all at:

11692 Lilburn Park Road
St. Louis, Missouri 63146

Respondents.

CONSENT ORDER

1. The Enforcement Section of the Missouri Securities Division alleges that William P. Alexander ("Alexander") and his company Emerging Technologies Development Company ("ETDC") offered and sold investments in Emerging Technologies Investment Group, L.L.C. ("ETIG") that claimed to have a car that ran on water. The investments, in the form of units of interest, were not registered in Missouri nor did they qualify for an exemption from registration and were sold in violation of §409.3-301, RSMo Supp. 2005. In addition, the Enforcement Section alleges that Alexander and ETDC made untrue statements to investors in violation of §409.5-501 RSMo Supp. 2005. Alexander and these entities received \$100,000 from 12 investors.
2. Respondents and the Securities Division desire to settle the allegations and the matters raised by the staff of the Securities Division relating to Respondents' alleged violations.
3. Respondents and the Securities Division consent to the issuance of this Consent Order.
4. Respondents stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
5. Respondents waive their right to a hearing with respect to this matter.
6. Respondents waive any rights that they may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Further, Respondents specifically forever release and hold harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner of Securities and their respective representatives and agents from any and all liability and claims arising out of, pertaining to or relating to this matter.
7. Respondents stipulate and agree that, should the facts contained herein prove to be false or incomplete, the Missouri Division of Securities preserves the right to pursue any and all legal or administrative remedies at its disposal.

STIPULATIONS OF FACT

8. ETDC is a Missouri corporation with a business address of 11692 Lilburn Park Road, St. Louis, Missouri 63146.
9. ETIG is a Missouri limited liability company that purports to provide funding to companies to assist in bringing their products to market. ETIG has a business address of 11692 Lilburn Park Road, St. Louis, Missouri 63146.
10. Alexander is the organizer of ETDC and Chief Executive Officer of ETIG and has a business address of 11692 Lilburn Park Road, St. Louis, Missouri 63146
11. As used in this document, the term "Respondents" refer to ETDC, ETIG and Alexander.
12. In July 2004, ETDC issued a press release that stated, among other things, that:
 - a. One of its client research groups had created a hydrogen generator that produced hydrogen on demand.
 - b. ETDC had the functional capability to produce a car that runs on water.
 - c. In 100 days it was likely that no one would need to buy a gallon of gasoline.
 - d. ETDC intended to produce the product in St. Louis and anticipated that several thousand jobs would be created.

- e. ETDC would post on its web page the particulars on how the public could invest in this technology.
13. Respondents raised \$100,000 from 12 investors.
14. Respondents have not produced a car that runs on water, have not created any jobs in St. Louis, and the company has no funds left.
15. Respondents were not registered to offer or sell securities in the State of Missouri.
16. A check of the records maintained by the Commissioner confirmed no registration or granted exemption for the investment units offered or sold in Missouri by Respondents.
17. This Order is in the public interest.

JURISDICTIONAL BASIS

18. Respondents and the Securities Division stipulate and agree that the Commissioner has jurisdiction over these matters pursuant to Chapter 409, RSMo Supp. 2005.
19. Respondents and the Securities Division stipulate and agree that the Commissioner has authority to enter this Consent Order pursuant to Section 409.6-604(h), RSMo Supp. 2005, which provides that the commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.

ORDER

WHEREAS, the Commissioner, after consideration of the stipulations set forth above and on the consent of Respondents and the Securities Division, finds the following Order to be in the public interest and necessary for the protection of public investors and consistent with the provisions of Chapter 409, RSMo Supp. 2005.

NOW, THEREFORE, it is hereby Ordered that:

1. Respondents, their agents, employees and servants are prohibited from:
 - a. Violating § 409.3-301, RSMo Supp. 2005, by offering or selling securities in Missouri without registering or qualifying for an applicable exemption; and
 - b. Violating § 409.5-501, RSMo Supp. 2005, by making untrue statements of material fact in connection with the offer or sale of a security.
2. Respondents shall pay ten thousand dollars (\$10,000) made payable to the Missouri Secretary of State's Investor Education and Protection Fund. Respondents shall deliver their payment upon the execution of this Order to the Division of Securities, 600 W. Main Street, Jefferson City, Missouri 65102.
3. Respondents shall return all investor funds, in the amount of \$100,000, together with interest at a rate of 8% per year from the date of investment, to all investors and in the amounts listed on Exhibit A. All investors will be repaid by Respondents within one month from the effective date of this Order.
4. Respondents shall file documentation with the Securities Division evidencing the names of the investors who were paid in full, the amount of principal and interest paid, and the date the payment was sent to the investor. This documentation shall be filed with the Securities Division within 30 days of the payment and shall be in the form of an affidavit, with all supporting documents attached thereto.
5. Respondents will pay the costs of investigation in this matter in the amount of eight hundred and forty five dollars (\$845) within thirty (30) days from the date of execution of this Order. This payment shall be sent to the Securities Division, 600 W. Main Street, Jefferson City, Missouri 65102, and shall be made payable to the Investor Education and Protection Fund.
6. Respondents will pay their own costs and attorneys fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 22ND DAY OF FEBRUARY, 2006.

ROBIN CARNAHAN
SECRETARY OF STATE

(Signed/Sealed)
MATTHEW D. KITZI

COMMISSIONER OF SECURITIES

Consented to by:

Missouri Securities Division
Mary S. Hosmer
Assistant Commissioner of Securities

William P. Alexander individually and
as President of Emerging Technologies
Development Company and as Chief Executive
Officer of Emerging Technologies Investment
Group, LLC

Approved as to Form

Robert Dwornick
Counsel for Respondents