

State of Missouri
Office of Secretary of State

Case No. AP-09-10

IN THE MATTER OF:

WARREN & MASSEY ASSET
MANAGEMENT LTD., INC.;
DEBORAH REYNOLDS; and
MICHAEL CHURCH,

Respondents.

Serve: Warren & Massey Asset Management Ltd., Inc. at:
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

Serve: Deborah Reynolds at:
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

Serve: Michael Church at:
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

**FINAL ORDER TO CEASE AND DESIST AND ORDER IMPOSING CIVIL
PENALTIES AND AWARDED COSTS**

On July 16, 2009, the Enforcement Section of the Securities Division of the Office of Secretary of State (the "Enforcement Section"), by and through Mary S. Hosmer, Assistant Commissioner, submitted a Petition for Final Order to Cease and Desist and Payment of Civil Penalties and Costs as to All Respondents (the "Petition"). After reviewing the Petition, the Commissioner issues the following findings of facts, conclusions of law, and Final Order:

PROCEDURAL BACKGROUND

1. On February 4, 2009, the Enforcement Section submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed in the above-styled matter.
2. On February 19, 2009, the Commissioner issued an Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed (the "C&D Order"). On that same date, notice and a copy of the C&D Order were sent to all Respondents, by certified U.S. Mail, pursuant to Section 409.6-604(b), RSMo. (Cum. Supp. 2008).
3. The C&D Order and notice thereof sent to Respondents were returned "REFUSED" to the Commissioner.
4. On February 19, 2009, Respondents Warren & Massey Asset Management Ltd., Inc., Deborah Reynolds, and Michael Church were served with the C&D Order pursuant to Section 409.6-611(b), RSMo. (Cum. Supp. 2008), through service upon the Commissioner.
5. The Respondents did not request a hearing in this matter or otherwise contact or communicate with the Commissioner.
6. In the Petition, the Enforcement Section requested a Final Order to Cease and Desist as to all Respondents in this matter.
7. In the Petition, the Enforcement Section requested that the Commissioner issue an order requiring the Respondents to pay, jointly and severally, costs of the investigation in this matter in the amount of one thousand four hundred thirty dollars (\$1,430).
8. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.4-401, RSMo. (Cum. Supp.

2008).

9. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of one thousand dollars (\$1,000) against each Respondent for a violation of Section 409.4-402(a), RSMo. (Cum. Supp. 2008).
10. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.4-402(d), RSMo. (Cum. Supp. 2008).
11. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2008).

FINDINGS OF FACT

12. The Commissioner adopts and incorporates the Findings of Facts, paragraphs 1-13, in the C&D Order.

CONCLUSIONS OF LAW

13. The Commissioner adopts and incorporates the Conclusions of Law, paragraphs 28-39, in the C&D Order.
14. This Order is in the public interest and consistent with the purposes intended by the Missouri Securities Act of 2003.

ORDER

NOW THEREFORE, it is hereby **ORDERED** that:

- A. The Cease and Desist Order entered in Case Number AP-09-10 on February 19, 2009, is **FINAL** as to all Respondents.
- B. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), Respondent Warren & Massey Asset Management Ltd., Inc., shall pay a civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for multiple violations of Section 409.4-401, RSMo. (Cum. Supp. 2008). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Warren & Massey Asset Management Ltd., Inc., shall deliver this payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- C. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), Respondent Michael Church shall pay a civil penalty in the amount of one thousand dollars (\$1,000) to the State of Missouri for a violation of Section 409.4-402(a), RSMo. (Cum. Supp. 2008). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Michael Church shall deliver this payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- D. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), Respondent Warren & Massey Asset Management Ltd., Inc., shall pay a civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for multiple violations of Section 409.4-402(d), RSMo. (Cum. Supp. 2008). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Warren & Massey Asset Management Ltd., Inc., shall deliver this payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- E. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), each of Respondents Warren & Massey Asset Management Ltd., Inc., Deborah Reynolds, and Michael Church shall pay a civil penalty in the amount of five thousand dollars (\$5,000) to the State of Missouri for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2008). These amounts shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondents Warren & Massey Asset Management Ltd., Inc., Deborah Reynolds, and Michael Church shall deliver these payments to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- F. Pursuant to Section 409.6-604(e), RSMo. (Cum. Supp. 2008), Respondents Warren & Massey Asset Management Ltd., Inc., Deborah Reynolds, and Michael Church shall pay, within thirty (30) days from the date of this Order, the additional sum of one thousand four hundred thirty dollars (\$1,430) as reimbursement for costs of the investigation and administration of this matter. Respondents Warren & Massey Asset Management Ltd., Inc., Deborah Reynolds, and Michael Church shall be jointly and severally liable for this amount. This amount shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund. Respondents shall deliver this payment to the Securities Division, 600 West Main Street, PO Box 1276, Jefferson City, Missouri 65102.

G. Pursuant to Section 409.6-604(f), RSMo. (Cum. Supp. 2008), this matter shall be referred to the Missouri Attorney General's Office to collect the penalties and costs described in this Order, as necessary.

H. Respondents shall pay their own costs and attorney's fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 27TH DAY OF JULY, 2009.

ROBIN CARNAHAN
SECRETARY OF STATE

(Signed/Sealed)
MATTHEW D. KITZI
COMMISSIONER OF SECURITIES

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of February, 2009, copies of the foregoing Order and Notice in the above styled case was **mailed by certified U.S. Mail, postage prepaid, to:**

Warren & Massey Asset Management Ltd., Inc.
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

Deborah Reynolds
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

Michael Church
c/o Commissioner of Securities
Missouri Secretary of State
600 West Main Street
Jefferson City, Missouri 65102

And hand delivered to:

Mary Hosmer
Assistant Commissioner
Securities Division

John Hale, Specialist