

State of Missouri  
Office of Secretary of State

Case No. AP-09-25

IN THE MATTER OF:

CHAPARRAL I, LLC;  
MORRIS ALLEN BIRD, SR.  
MORRIS ALLEN BIRD, JR.; and  
TURNPOINT INTERNATIONAL I, LLC;

Respondents.

Serve Chaparral I, LLC at:  
501 N. Main, Lockwood, Missouri 65682

Serve Morris Allen Bird, Sr. at:  
91 Holly Ridge Road, Willard, Missouri 65781

Serve Morris Allen Bird, Jr. at:  
3645 South Avenue, Springfield, Missouri 65807

Serve Turnpoint International I, LLC at:  
3645 South Avenue, Springfield, Missouri 65807

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY CIVIL  
PENALTIES AND COSTS SHOULD NOT BE IMPOSED**

On June 4, 2009, the Enforcement Section of the Securities Division of the Office of Secretary of State (the "Enforcement Section"), through its Assistant Commissioner Mary S. Hosmer, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should Not Be Imposed. After reviewing the petition, the Commissioner issues the following findings of fact, conclusions of law and order:

**I. FINDINGS OF FACT**

1. Chaparral I, LLC ("Chaparral"), is a Missouri limited liability company organized on June 10, 2008, and has an address at 501 N. Main, Lockwood, Missouri 65682.
2. Morris Allen Bird, Sr. ("Morris Bird") is an agent of Chaparral and has last known address of P.O. Box 407, Lockwood, Missouri 65682, and physical address at 91 Holly Ridge Road, Willard, Missouri 65781.
3. Betty Bird ("Betty Bird") is the organizer of Chaparral and has last known address of P.O. Box 407, Lockwood, Missouri, 65682, and physical address at 91 Holly Ridge Road, Willard, Missouri 65781.
4. Morris Allen Bird, Jr. ("Allen Bird") is the son of Morris Bird and Betty Bird and has last known business address of 3645 South Avenue, Springfield, Missouri 65807.
5. Turnpoint International I, LLC f/k/a Greenleaf Investments II, LLC ("Turnpoint") is a Missouri limited liability company organized on May 16, 2008, and has last known business address of 3645 South Avenue, Springfield, Missouri 65807.
6. Park Estates Homes, LLC ("Park Estate") is a Missouri limited liability company organized on January 30, 2008, [1] and has last known business address of 3645 South Avenue, Springfield, Missouri 65807. On April 8, 2008, Allen Bird was listed as the president of Park Estate.
7. Pro Services, Inc. ("Pro Services"), is a Missouri corporation. Betty Bird is the sole director and officer of Pro Services. Pro-Services has last known business address of 510 N. Main, P.O. Box 447, Lockwood, Missouri 65682.
8. As used in this Order, the term "Respondents" refers to Chaparral, Morris Bird, Allen Bird, and Turnpoint.
9. From June 10, 2008 through December 2008, Morris Bird and Allen Bird offered and sold securities to fifteen (15) investors in Missouri, Arkansas, Indiana and Oklahoma.
10. Morris Bird and Allen Bird raised at least one million seven hundred eighty-seven thousand one dollars and forty-nine cents (\$1,787,001.49) from these investors.
11. Morris Bird told investors they would earn a high rate of return on the investment.

12. Some of these investors received promissory notes issued by Chaparral. [2]
13. Investors who did not receive a promissory note were told by Morris Bird that they would receive monthly interest on the invested funds and a return of principal within one year or upon demand.
14. Investors were told they would receive interest ranging from ten percent (10%) to fifty four percent (54%) percent per year.
15. Investors' money was deposited in Chaparral's account at Bank of America ("Chaparral Bank Account").
16. Morris Bird was the signatory on the Chaparral Bank Account.
17. During an on-the-record interview by the Enforcement Section on April 22, 2009, Morris Bird stated, among other things, the following:
  - a. Chaparral was a limited liability company organized by Morris Bird and Betty Bird;
  - b. Chaparral borrowed money from investors and Morris Bird disbursed these funds to entities and individuals at Allen Bird's direction;
  - c. Chaparral had no contract or agreement with Allen Bird relating to the disbursements that were made;
  - d. Chaparral listed these disbursements on Chaparral records as receivables;
  - e. Chaparral generated no income and received no interest from these "receivables;"
  - f. Allen Bird had no legal authority to bind Chaparral;
  - g. Morris Bird did not tell investors that he was sending their money on to Allen Bird;
  - h. interest payments that were made to investors were paid with money borrowed from other investors;
  - i. interest rates promised to investors ranged from ten percent (10%) to fifty four percent (54%) per year;
  - j. he did not tell investors that the interest rate could vary;
  - k. some investors received notes, some did not;
  - l. Morris Bird promised to pay interest to some of the investors by a "handshake;"
  - m. the interest rates to be paid to investors were listed in Chaparral's records;
  - n. he did not tell investors anything about how the money would be used "because he did not have any direct involvement;"
  - o. some money was sent from the Chaparral Bank Account to Park Estate;
  - p. he was aware that Park Estate had filed for bankruptcy;
  - q. Chaparral disbursed investors' funds to Turnpoint at Allen Bird's instruction;
  - r. money may have gone from the Chaparral Bank Account to Turnpoint through the Bank of Rome;
  - s. his records showed that, nine hundred fifty thousand dollars (\$950,000) went to the Bank of Rome for one of "Allen [Bird's] deals;"
  - t. he did not provide investors with any financial information about Chaparral or the other entities where investor funds were sent;
  - u. he did not tell investors about any risks associated with an investment in Chaparral;
  - v. his records showed that some investors had received interest payments;
  - w. as of April 2009, Chaparral had under five hundred dollars (\$500) in its bank account; and
  - x. Chaparral would not be able to pay principal or further interest to investors until Allen Bird paid Chaparral.
18. On or about August 11, 2008, Morris Bird solicited a seventy-four (74) year-old Arkansas resident ("AR") to invest in Chaparral.
19. Morris Bird told AR that AR would:

- a. earn eighteen percent (18%) interest per year on the investment; and
  - b. receive monthly interest payments, commencing on the last day of August 2008.
20. AR received a promissory note dated August 11, 2008, issued by Chaparral and signed by Morris Bird.
  21. This promissory note promised AR eighteen percent (18%) interest a year and would continue to pay this interest until AR demanded repayment of principal.
  22. On or about August 13, 2008, AR wired fifty thousand dollars (\$50,000) to the Chaparral Bank Account to invest in Chaparral.
  23. On or about August 4, 2008, Morris Bird solicited a fifty-one (51) year-old Missouri resident ("MR1") to invest in Chaparral.
  24. MR1 told an investigator with the Enforcement Section that MR1 had engaged in business with Morris Bird in the past and that MR1 trusted Morris Bird.
  25. Morris Bird told MR1 that the money would be paid back in a year and would pay eighteen percent (18%) interest per year.
  26. On August 4, 2008, per Morris Bird's instructions, MR1 wired approximately five hundred twenty six thousand dollars (\$526,000) to the Chaparral Bank Account.
  27. MR1 did not receive a promissory note from Morris Bird.
  28. On or before September 12, 2008, Morris Bird solicited an eighty-five (85) year-old Missouri resident ("MR2") and his eighty-one (81) year-old spouse ("MR3") to invest in Chaparral.
  29. Morris Bird told MR2 and MR3 that they would receive eighteen percent (18%) interest a year on the investment.
  30. MR2 and MR3 invested a total of fifty thousand dollars (\$50,000) with Morris Bird and Chaparral from September 12 through September 18, 2008.
  31. MR2 and MR3's checks to Chaparral were deposited in the Chaparral Bank Account.
  32. MR2 and MR3 did not receive a promissory note from Morris Bird.
  33. On or about July 29, 2008, Morris Bird solicited a ninety-three (93) year-old Missouri resident ("MR4") to invest in Chaparral.
  34. Morris Bird told MR4 that MR4 could earn ten percent (10%) interest per year on the Chaparral investment.
  35. On or about July 29, 2008, MR4 invested fifty thousand dollars (\$50,000) in Chaparral.
  36. On or about July 29, 2008, MR4 received a promissory note issued by Chaparral and signed by Morris Bird. This promissory note was payable upon the demand of the holder.
  37. MR4's check was deposited in the Chaparral Bank Account.
  38. On or before July 24, 2008, Morris Bird and Allen Bird solicited a forty (40) year-old Oklahoma resident ("OR1") and his forty-one (41) year-old spouse ("OR2") to invest in an opportunity Allen Bird had in Europe.
  39. Morris Bird and Allen Bird told OR1 and OR2 that this money would be put into an account to increase the holding bank's assets and this would make it possible for the bank to engage in activities that would otherwise not be available to the bank. Morris Bird and Allen Bird stated that in exchange for OR1 and OR2's investment, OR1 and OR2 would receive fifty-four percent (54%) interest per year and that interest would be paid monthly.
  40. Morris Bird called OR1 and OR2 multiple times about the investment.
  41. OR2 told an investigator with the Enforcement Section that she and her husband had known Allen Bird for years but only met Morris Bird in connection with this investment.
  42. On July 23, 2008, OR1 and OR2 wired five hundred thousand dollars (\$500,000) to the Chaparral Bank Account.
  43. To evidence the investment, OR1 and OR2 were given:
    - a. a promissory note, dated July 23, 2008, from the "M. Allen Bird Trust, M. Allen Bird, Trustee" signed by Allen Bird; and
    - b. an investment agreement issued by Turnpoint signed by Allen Bird also dated July 23, 2008.
  44. On July 24, 2008, the day after the funds from OR1 and OR2 were wired into the Chaparral Bank Account, Morris Bird

wired five hundred thousand dollars (\$500,000) from the Chaparral Bank Account to Turnpoint.

45. On September 4, 2008, and October 6, 2008, OR1 and OR2 received interest payments totaling fifty thousand four hundred eleven dollars and ten cents (\$50,411.10) from the Chaparral Bank Account.
46. A review of the Chaparral Bank Account revealed that from July 24, 2008 through January 27, 2009, Morris Bird made the following disbursements, among others:
  - a. Pro Services \$41,000.00;
  - b. Alan Migdall \$205,000.00;
  - c. Greenleaf Companies, LLC \$75,000.00;
  - d. Hazel Marino \$30,000.00;
  - e. Mae, Inc. \$400,000.00;
  - f. Mohammad Zein \$20,000.00;
  - g. Morris Bird \$86,485.44;
  - h. Park Estate \$225,000.00;
  - i. Turnpoint \$500,000.00; and
  - j. Sherri Bird \$25,000.00.
47. On November 5, 2008, Park Estate filed for bankruptcy protection under Chapter 11, in the United State's Bankruptcy Court, Western District of Missouri, *In the matter of Park Estate, LLC*, Case No. 08-62117-abf11 ("Park Estate Bankruptcy").
48. Between July 30, 2008, and August 27, 2008, a total of two hundred twenty five thousand dollars (\$225,000) of investor money received into the Chaparral Bank Account was disbursed to Park Estate.
49. In the Park Estate Bankruptcy, Allen Bird claimed that Park Estate owned over ten million dollars (\$10,000,000) in real property.
50. Chaparral and the investors described above were not listed as creditors in the Park Estate Bankruptcy.
51. The Enforcement Section's investigation also revealed that:
  - a. in December 2007, Mohammad Zein of Hollywood, Florida, then president of the now defunct Provident Capital Investments Inc., was sued by the United States Securities and Exchange Commission ("SEC") in SEC v. Mohamad Zein, et al., Civil Action No. 1:07-CV-02330-BBM (ND GA). This action alleged that Zein took two million dollars (\$2,000,000) from investors by making false statements about the investment. Mohamad Zein was permanently enjoined by the SEC and ordered to pay a civil penalty;
  - b. Morris Bird paid his daughter-in-law, Sherri Bird, twenty-five thousand dollars (\$25,000) from the Chaparral Bank Account to pay for improvements and landscaping at Sherri Bird's home; and
  - c. Some of the checks written on the Chaparral Bank Account that were made payable to Park Estate were received by Park Estate and endorsed for deposit by Morris Bird. These funds were deposited in the Park Estate LLC Bank Account.
52. A check of the records maintained by the Missouri Commissioner of Securities confirmed that:
  - a. there was no registration or notice filing indicating status as a "federal covered security" for the securities offered by Chaparral; and
  - b. neither Morris Bird, nor Allen Bird were registered to sell securities in Missouri.
53. Prior to their investment none of the above-described investors were told by Morris Bird or Allen Bird, among other things, the following:
  - a. that the securities were not registered in Missouri;
  - b. that Morris Bird was not registered to sell securities in Missouri;

- c. that Allen Bird was not registered to sell securities in Missouri;
- d. that Chaparral had generated no income;
- e. that investor funds were used to pay interest owed to other investors;
- f. that the interest rates paid to investors varied;
- g. that investors' money would be utilized solely at Allen Bird's discretion;
- h. the intended use for invested funds;
- i. the risks associated with the investment;
- j. any background information or financial information regarding Allen Bird;
- k. that some of the investors' money would be paid to:
  - i. Sherri Bird;
  - ii. Morris Bird;
  - iii. Park Estate;
  - iv. Turnpoint;
  - v. Pro Services;
  - vi. Mae, Inc.; and/or
  - vii. Mohamad Zein;
- l. background and financial information on Sherri Bird;
- m. background and financial information on Morris Bird;
- n. background and financial information on Park Estate;
- o. background and financial information on Turnpoint;
- p. background and financial information on Pro Services;
- q. background and financial information on Mae, Inc.; or
- r. background and financial information on Mohamad Zein.

## II. STATUTORY PROVISIONS

54. Section 409.6-601(a), RSMo. (Cum. Supp. 2008), provides that the Missouri Securities Act of 2003 "shall be administered by the commissioner of securities . . . ."
55. Section 409.1-102(1), RSMo. (Cum. Supp. 2008), defines "Agent" as "an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities."
56. Section 409.1-102(17), RSMo. (Cum. Supp. 2008), defines "Issuer" as "a person that issues or proposes to issue a security . . . ."
57. Section 409.1-102(26), RSMo. (Cum. Supp. 2008), defines "Sale" to include, "every contract of sale, contract to sell, or disposition of, a security or interest in a security for value." That same section defines "offer to sell" as "every attempt or offer to dispose of, or solicitation of an offer to purchase, a security or interest in a security for value."
58. Section 409.1-102(28), RSMo. (Cum. Supp. 2008), provides the definition of a "Security." That definition includes:
- a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a "security"; or a certificate of interest or

participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

59. Section 409.3-301, RSMo. (Cum. Supp. 2008), states:

It is unlawful for a person to offer or sell a security in this state unless:

- (1) The security is a federal covered security;
- (2) The security, transaction, or offer is exempted from registration under sections 409.2-201 to 409.2-203; or
- (3) The security is registered under this act.

60. Section 409.4-402(a), RSMo. (Cum. Supp. 2008), states:

It is unlawful for an individual to transact business in this state as an agent unless the individual is registered under this act as an agent or is exempt from registration as an agent under subsection (b).

61. Section 409.4-402(d), RSMo. (Cum. Supp. 2008), states:

It is unlawful for . . . an issuer engaged in offering, selling, or purchasing securities in this state, to employ or associate with an agent who transacts business in this state on behalf of . . . issuers unless the agent is registered under subsection (a) or exempt from registration under subsection (b).

62. Section 409.5-501, RSMo. (Cum. Supp. 2008), states:

It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly:

- (1) To employ a device, scheme, or artifice to defraud;
- (2) To make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading; or
- (3) To engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

63. Section 409.6-604(a), RSMo. (Cum. Supp. 2008), states:

If the commissioner determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or that a person has materially aided . . . an act, practice or course of business constituting a violation of this act . . . the commissioner may:

- (1) Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary and appropriate to comply with this act;
- (2) Issue an order denying, suspending, revoking, or conditioning the exemptions for a broker-dealer under section 409.4-401(b)(1)(D) or (F) or an investment adviser under section 409.4-403(b)(1)(C); or
- (3) Issue an order under section 409.2-204.

64. Section 409.6-604(d), RSMo. (Cum. Supp. 2008), states:

In a final order . . . the commissioner may impose a civil penalty up to one thousand dollars (\$1,000) for a single violation or up to ten thousand dollars (\$10,000) for more than one violation.

65. Section 409.6-604(e), RSMo. (Cum. Supp. 2008), provides the following:

In a final order, the commissioner may charge the actual cost of an investigation or proceeding for a violation of this act or a rule adopted or order issued under this act. These funds may be paid into the investor education and protection fund.

### III. CONCLUSIONS OF LAW

#### Multiple Violations of Offering and Selling Unregistered, Nonexempt Securities

66. Paragraphs 1 through 65 are incorporated by reference as though fully set forth herein.

67. Respondents offered and sold a security as those terms are defined in Sections 409.1-102 (26) and (28), RSMo. (Cum. Supp. 2008).

68. At all times relevant, records maintained by the Commissioner of Securities contained no registration, granted exemption or notice filing indicating status as a "federal covered security" for the investments offered and sold by Respondents.
69. Respondents violated Section 409.3-301, RSMo. (Cum. Supp. 2008), when they offered and sold securities in Missouri without these securities being (1) a federal covered security, (2) exempt from registration under Sections 409.2-201 or 409.2-202, RSMo. (Cum. Supp. 2008), or (3) registered under the Missouri Securities Act of 2003.
70. Respondents' actions in offering or selling unregistered securities constitute an illegal act, practice, or course of business and such action is therefore subject to the commissioner's authority under Section 409.6-604(a), RSMo. (Cum. Supp. 2008).

### **Multiple Violations of Transacting Business as an Unregistered Agent**

71. Paragraphs 1 through 65 are incorporated by reference as though fully set forth herein.
72. At all times relevant, records maintained by the Missouri Commissioner of Securities contained no registration or granted exemption for Respondent Morris Bird or Respondent Allen Bird to transact business as an agent in the State of Missouri.
73. Morris Bird and Allen Bird violated Section 409.4-402(a), RSMo. (Cum. Supp. 2008), when they offered or sold securities in the State of Missouri without being registered or exempt from registration as an agent.
74. The actions of Respondent Morris Bird and Respondent Allen Bird in transacting business as unregistered agents constitute an illegal act, practice, or course of business and such actions are therefore subject to the commissioner's authority under Section 409.6-604(a), RSMo. (Cum. Supp. 2008).

### **Multiple Violations of Employing an Unregistered Agent**

75. Paragraphs 1 through 65 are incorporated by reference as though fully set forth herein.
76. Chaparral and Turnpoint employed agents who transacted business on behalf of Chaparral and Turnpoint. These activities constitute transacting business in the State of Missouri.
77. Chaparral and Turnpoint have not registered any agents in the State of Missouri.
78. Chaparral and Turnpoint violated Section 409.4-402(d), RSMo. (Cum. Supp. 2008), when they employed an unregistered agent who transacted business in the State of Missouri.
79. Respondent Chaparral and Respondent Turnpoint's actions of employing unregistered agents in transacting business in this state constitute an illegal act, practice, or course of business and such actions are therefore subject to the commissioner's authority under Section 409.6-604(a), RSMo. (Cum. Supp. 2008).

### **Multiple Violations of Making an Untrue Statement or Omitting to State Material Facts in Connection with the Offer or Sale of a Security**

80. Paragraphs 1 through 65 are incorporated by reference as though fully set forth herein.
81. In connection with the offer or sale of securities to the Arkansas and Missouri investors described above, Respondents Chaparral, Morris Bird and Allen Bird omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:
  - a. that the securities were not registered in Missouri;
  - b. that Morris Bird was not registered to sell securities in Missouri;
  - c. that Allen Bird was not registered to sell securities in Missouri;
  - d. that Chaparral had generated no income;
  - e. that investor funds were used to pay interest owed to other investors;
  - f. that the interest rates paid to investors varied;
  - g. that investors' money would be utilized solely at Allen Bird's discretion;
  - h. the intended use for invested funds;
  - i. the risks associated with the investment;
  - j. any background information or financial information regarding Allen Bird;

- k. that some of the investors' money would be paid to:
  - i. Sherri Bird;
  - ii. Morris Bird;
  - iii. Park Estate;
  - iv. Pro Services;
  - v. Mae, Inc.; and/ or
  - vi. Mohamad Zein;
- l. background and financial information on Sherri Bird;
- m. background and financial information on Morris Bird;
- n. background and financial information on Park Estate;
- o. obackground and financial information on Pro Services;
- p. pbackground and financial information on Mae, Inc.; or
- q. qbackground and financial information on Mohamad Zein.

82. In connection with the offer or sale of securities to the Oklahoma investors described above Respondents Chaparral, Turnpoint, Morris Bird and Allen Bird omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:

- a. athat the securities were not registered in Missouri;
- b. bthat Morris Bird was not registered to sell securities in Missouri;
- c. that Allen Bird was not registered to sell securities in Missouri;
- d. that Chaparral had generated no income;
- e. the intended use for the invested funds;
- f. the risks associated with the investment;
- g. background and financial information on Turnpoint; or
- h. background and financial information on Chaparral.

83. Respondents' violated Section 409.5-501(2), RSMo. (Cum. Supp. 2008), when, in connection with the offer or sale of a security, they omitted to state material facts as described in paragraph 81 and 82, above.

84. Respondents' actions in omitting to state material facts in connection with the offer or sale of securities constitute illegal acts, practices, or course of business and such actions are therefore subject to the commissioner's authority under Section 409.6-604(a), RSMo. (Cum. Supp. 2008).

85. This Order is in the public interest and consistent with the purposes intended by the Missouri Securities Act of 2003. See Section 409.6-605(b), RSMo. (Cum. Supp. 2008).

#### **IV. Order**

**NOW THEREFORE**, it is hereby ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this Order are prohibited from:

- A. violating or materially aiding in any violation of Section 409.3-304, RSMo. (Cum. Supp. 2008) by offering or selling any securities as defined by Section 409.1-102(28), RSMo. (Cum. Supp. 2008), in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-304;
- B. violating or materially aiding in any violation of Section 409.4-402, RSMo. (Cum. Supp. 2008), by transacting business as an unregistered agent;
- C. violating or materially aiding in any violation of of Section 409.4-402, RSMo. (Cum. Supp. 2008), by employing an unregistered agent; and
- D. violating or materially aiding in any violation of Section 409.5-501, RSMo. (Cum. Supp. 2008), by, in connection with the offer or sale of securities, making an untrue statement of a material fact or omitting to state a material fact necessary in order to

make the statement made, in the light of the circumstances under which it is made, not misleading.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), the Commissioner will determine whether to grant the Enforcement Section's petition for an imposition of a civil penalty of up to ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2008), in a final order, unless Respondents request a hearing and show cause why the penalty should not be imposed.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), the Commissioner will determine whether to grant the Enforcement Section's petition for an imposition of a civil penalty of up to ten thousand dollars (\$10,000) against each of Respondent Morris Bird and Respondent Allen Bird for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2008), in a final order, unless Respondent Morris Bird and Respondent Allen Bird requests a hearing and show cause why the penalty should not be imposed.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), the Commissioner will determine whether to grant the Enforcement Section's petition for an imposition of a civil penalty of up to ten thousand dollars (\$10,000) against each of Respondent Chaparral and Respondent Turnpoint for multiple violations of Section 409.4-402(d), RSMo. (Cum. Supp. 2008), in a final order, unless Respondent Chaparral and Respondent Turnpoint request a hearing and show cause why the penalty should not be imposed.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2008), the Commissioner will determine whether to grant the Enforcement Section's petition for an imposition of a civil penalty of up to ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2008), in a final order, unless Respondents request a hearing and shows cause why the penalty should not be imposed.

**IT IS FURTHER ORDERED** that, as the Enforcement Section has petitioned for an award for the costs of the investigation against Respondents in this proceeding, the Commissioner will issue a final order pursuant to Section 409.6-604(e), RSMo. (Cum. Supp. 2008), awarding an amount to be determined after review of evidence submitted by the Enforcement Section, unless Respondents request a hearing and show cause why such an award should not be made.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 22<sup>ND</sup> DAY OF JUNE, 2009.

ROBIN CARNAHAN  
SECRETARY OF STATE

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



State of Missouri  
Office of Secretary of State

Case No. AP-09-25

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CHAPARRAL I, LLC;  
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MORRIS ALLEN BIRD, JR.; and  
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Serve Chaparral I, LLC at:  
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Serve Morris Allen Bird, Jr. at:

3645 South Avenue, Springfield, Missouri 65807

Serve Turnpoint International I, LLC at:  
3645 South Avenue, Springfield, Missouri 65807

## NOTICE

### **TO: Respondents and any unnamed representatives aggrieved by this Order:**

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Section 409.6-604(b), RSMo. (Cum. Supp. 2007), and 15 CSR 30-55.020.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to this order, the Commissioner will schedule this matter for a hearing.

A request for a hearing must be mailed or delivered, in writing, to:

**Matthew D. Kitz, Commissioner of Securities  
Office of the Secretary of State, Missouri  
600 West Main Street, Room 229  
Jefferson City, Missouri, 65102.**

## CERTIFICATE OF SERVICE

I hereby certify that on this 22 day of June, 2009, copies of the foregoing Order and Notice in the above styled case was **mailed by certified U.S. Mail, postage prepaid, to:**

Chaparral I, LLC  
501 N. Main  
Lockwood, Missouri 65682

Morris Allen Bird, Sr.  
91 Holly Ridge Road  
Willard, Missouri 65781

Morris Allen Bird, Jr.  
3645 South Avenue  
Springfield, Missouri 65807

Turnpoint International I, LLC  
3645 South Avenue  
Springfield, Missouri 65807

### **And hand delivered to:**

Mary Hosmer  
Assistant Commissioner  
Securities Division

[1] Park Estate was organized by Scott Dasal. Scot Dasal was a named-respondent in Cease and Desist Order No. AP-08-32, *In the Matter of Greenleaf Companies LLC, et al*, issued by the Missouri Commissioner of Securities on December 16, 2008, ("Greenleaf Order"). John Hale  
Specialist

[2] As described more fully in paragraphs 38-45 below, an investor received a promissory note from the M. Allen Bird Trust. Records obtained from Chaparral, however, listed this investor as a Chaparral investor and interest payments to the investor were paid from a Chaparral bank account.