

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
STEPHEN M. ALEXANDER
GLOBAL CAPITAL MANAGEMENT and
VIRTUAL ON-LINE, INC.

PETITION FOR ORDER

Respondents.

File No. S-99280(EX)

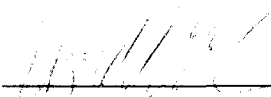
The staff of the Enforcement Unit, Registration & Enforcement Section, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Stephen M. Alexander ("Alexander") is an adult individual (CRD #2783631) with a last known residence address at 3 Yoakum Ave., Farmingdale NY 11735;
2. Global Capital Management ("Global") is a foreign business entity with addresses at 244 5th Ave., New York, NY 10001 and 110 Wall Street, Suite 15C, New York, NY 10005;
3. Virtual On-Line, Inc. ("Virtual") is a foreign business entity with an address at that of Global;
4. At all times material hereto, Alexander was the President of Global;
5. From at least July through September 1999, Alexander, on behalf of Global and Virtual offered and sold shares of stock of Virtual to at least two persons in Wisconsin;
6. The Virtual shares of stock are securities and have not been registered pursuant to Ch. 551, Wis. Stats.;
7. The Respondents have violated sec. 551.21, Wis. Stats., by offering and selling unregistered securities in Wisconsin;
8. At no time material hereto was Alexander licensed as a securities agent pursuant to Ch. 551, Wis. Stats.;
9. Alexander has violated sec. 551.31(1), Wis. Stats., by transacting business as a securities agent when he was not so licensed;
10. Global has violated sec. 551.31(1), Wis. Stats., by acting as an unlicensed broker-dealer in Wisconsin;

11. Global and Virtual have violated sec. 551.34(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin;

THEREFORE, the staff of the Enforcement Unit petitions the Administrator for the issuance of the attached Order.

DATED this 11 day of April, 2000.



David A. Cohen
Supervising Attorney
Enforcement Unit

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
STEPHEN M. ALEXANDER,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-99280(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

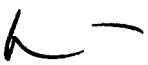
Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Stephen M. Alexander, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Stephen M. Alexander, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- c. Stephen M. Alexander (is)(are) prohibited from transacting business in Wisconsin as (a securities agent)(securities agents) unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- d. Stephen M. Alexander shall resolve his civil liability under sec. 551.59, Wis. Stats., resulting from the unlawful sales of securities described in the Petition for Order prior to filing an application for a (broker-dealer)(securities agent) license in Wisconsin.

EXECUTED at Madison, Wisconsin, this 27th day of April, 2000.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE:

Under sec. 551.61(2), Wis. Stats., within thirty (30) days after any Order has become effective without a hearing, any interested party may file a written request with the Administrator of the Division of Securities for a hearing in respect to any matters determined by the Order. A request for hearing shall be in the form of a petition for hearing and shall, under section SEC 8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the State of Wisconsin Department of Financial Institutions under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
GLOBAL CAPITAL MANAGEMENT,

ORDER OF PROHIBITION
(SUMMARY)

Respondent.

File No. S-99280(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Global Capital Management, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Global Capital Management, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on its behalf, are prohibited from transacting business as a broker-dealer in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- c. Global Capital Management, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on its behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- d. Global Capital Management shall resolve its civil liability under sec. 551.59, Wis. Stats., resulting from the unlawful sales of securities described in the Petition for Order prior to filing an application for a broker-dealer license in Wisconsin.

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BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
VIRTUAL ON-LINE, INC.,

ORDER OF PROHIBITION
(SUMMARY)

Respondent.

File No. S-99280(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Virtual On-Line, Inc., its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Virtual On-Line, Inc., its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on its behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

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