

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

In the Matter of
CAREY FINANCIAL CONSULTANTS, INC.,
SMOKEFORLESS, INC., JAMES H. HALL III,
and JERALD R. CAREY,

PETITION FOR ORDER

Respondent.

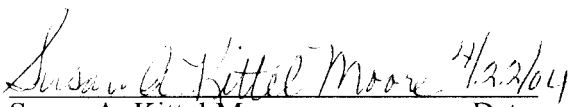
File No. S-02097(EX)

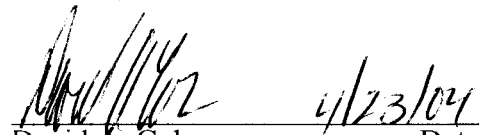
The staff of the Enforcement Unit, Bureau of Registration & Enforcement, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Carey Financial Consultants, Inc. ("CFCI") is a Missouri corporation with a last known business address of 9604 Nieman Pl., Overland Park, KS 66214
2. SmokeForLess, Inc. ("SmokeForLess") was a Nevada corporation with a last known business address of 18 Windward Rd., Ft. Worth, TX 76132-1021.
3. James H. Hall III (DOB 9/3/54) ("Hall") is an individual who at all times material hereto has been a principal and controlling person of SmokeForLess, with a last known business and residence address at that of SmokeForLess.
4. Jerald R. Carey (DOB 1/18/39; CRD #40443) ("Carey") is an individual who at all times material hereto has been the Vice President of SmokeForLess and the owner and controlling person of CFCI, with a last known business address at that of 9604 Nieman Pl., Overland Park, KS 66214.
5. During the period of August and September 2001, Carey, on behalf of CFCI, SmokeForLess, Hall, and himself, offered to at least six and sold to at least two persons in Wisconsin the stock of SmokeForLess.
6. The stock has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
7. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
8. In connection with the offers and sales of the securities described above, CFCI transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.
9. At no time has CFCI been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.
10. Respondent CFCI has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.
11. In connection with the offers of the securities described above, Carey transacted business in Wisconsin as an "agent" for SmokeForLess and Hall, as that term is defined by sec. 551.02(2), Wis. Stats.

12. At no time material hereto has Carey been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
13. Carey has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
14. SmokeForLess and Hall have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.
15. On July 9, 2002, Carey was terminated by his then employing broker-dealer for transacting business in the offer or sale of the stock of SmokeForLess in the State of Wisconsin without being registered in the state and without the employing broker-dealer's knowledge or prior approval.
16. On March 3, 2004, the State of Kansas issued an Administrative Order against CFCI and Carey, based on findings of securities law violations, including fraud, in connection with the respondents' offers and sales of the stock of SmokeForLess.
17. The Order referred to in Paragraph 16 above bars Carey from association with any broker-dealer or investment adviser registered in the State of Kansas.
18. On December 9, 2003, the State of Missouri issued a Cease and Desist Order against CFCI and Carey, based on findings of securities law violations, including fraud, in connection with the respondents' offers and sales of the stock of SmokeForLess.
19. The States of Kansas and Missouri found, in the Orders referred to in Paragraphs 16 through 18 above that CFCI and Carey omitted to state the following material facts during the offer and sale of the SmokeForLess stock: that Carey was an officer of SmokeForLess; that Carey had purchased 2% of the company for \$2,000; the risks associated with the investment; that Carey was paid for soliciting investors for SmokeForLess; and that selling securities in SmokeForLess violated his employing broker-dealer firm's policy against selling away.
20. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin, as described in Paragraph 19 above.
21. Carey sent a letter to one of the Wisconsin investors referred to in Paragraph 5 above which states: "This is to inform you that the Common Stock which you purchased for \$7,500 @ \$8.00 on 9-7-01 is worthless, as the company is in bankruptcy."
22. No bankruptcy filing has been made on behalf of any of the respondents subsequent to 9-7-01.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.


 Susan A. Kittel Moore 4/22/04
 Securities Examiner Date
 Registration & Enforcement Bureau


 David A. Cohen 4/23/04
 Supervising Attorney Date
 Registration & Enforcement Bureau

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

In the Matter of
CAREY FINANCIAL CONSULTANTS, INC.,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-02097(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;

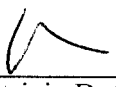
Therefore, pursuant to secs. 551.24(2), 551.60(2)(a) and (b) and 551.63, Stats.,

IT IS ORDERED THAT:

- a. Carey Financial Consultants, 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 qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Carey Financial Consultants, Inc., its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on its behalf, are hereby revoked.
- c. Carey Financial Consultants, 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 violating sec. 551.41, Wis. Stats., or successor statute.
- d. Carey Financial Consultants, 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 transacting business as a broker-dealer in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 3rd day of May, 2004.

(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
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
SMOKEFORLESS, INC.,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-02097(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;

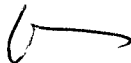
Therefore, pursuant to secs. 551.24(2), 551.60(2)(a) and (b) and 551.63, Stats.,

IT IS ORDERED THAT:

- a. SmokeForLess, 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 qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by SmokeForLess, Inc., its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on its behalf, are hereby revoked.
- c. SmokeForLess, 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 violating sec. 551.41, Wis. Stats., or successor statute.
- d. SmokeForLess, 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.

EXECUTED at Madison, Wisconsin, this 3d day of May, 2004.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE:

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

In the Matter of
JAMES H. HALL III,

Respondent.

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

File No. S-02097(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. 551.24(2), 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. James H. Hall III, 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 qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by James H. Hall III, his agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.
- c. James H. Hall III, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.
- d. James H. Hall III, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter 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.

EXECUTED at Madison, Wisconsin, this 3d day of May, 2004.

(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.

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

In the Matter of
JERALD R. CAREY,

ORDER OF PROHIBITION
AND REVOCATION
(SUMMARY)

Respondent.

File No. S-02097(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. 551.24(2), 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Jerald R. Carey, 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 qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Jerald R. Carey, his agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.
- c. Jerald R. Carey, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from violating sec. 551.41, Wis. Stats., or successor statute.
- d. Jerald R. Carey is prohibited from transacting business as a securities agent in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- e. Jerald R. Carey 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 securities agent license in Wisconsin.

EXECUTED at Madison, Wisconsin, this 3rd day of May, 2004.

(SEAL.)



Patricia D. Struck
Administrator
Division of Securities

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