

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

In the Matter of

PETITION FOR ORDER

A.J. BALFOUR & GROUP
INCORPORATED, GLOBALONE
FINANCIAL, LLC, GLOBALONE
FINANCIAL, INC., JOSEPH LEONARD
ALLEN, ROBERTA R. COURI, and
MICHAEL JEFFERY SCOTT,
Respondents.

File No. S-228326 (EX)

The staff of the Bureau of Enforcement of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to Wis. Stat. § 551.56,¹ and as a result thereof alleges as follows:

1. A.J. Balfour & Group Incorporated ("Balfour") is a Florida corporation organized on June 5, 2008, with a last known business address of 401 East Las Olas Boulevard, Suite 1560, Fort Lauderdale, Florida 33301.
2. Joseph Leonard Allen ("Allen") (CRD# 1435384) is an individual who at all times material hereto has been an owner, officer, or controlling person of Balfour with a last known address of 6654 Villa Sonrisa Drive, #423, Boca Raton, Florida 33433.
3. GlobalOne Financial, LLC ("GlobalOne LLC") is Delaware sole member limited liability company organized on October 29, 2008, with a last known business address of 101 NE 3rd Avenue, Suite 1500, Fort Lauderdale, Florida 33301.
4. GlobalOne Financial, Inc. ("GlobalOne Inc.") is a Florida corporation organized on May 1, 2009, with a last known business address of 6451 North Federal Highway, Suite 1204, Fort Lauderdale, Florida 33308.
5. Michael Jeffery Scott ("Scott") (CRD# 2127424) is an individual who at all times material hereto has been an owner, officer, or controlling person of GlobalOne Inc., with a last known address of 101 NE 3rd Avenue, Suite 1500, Fort Lauderdale, Florida 33301, 216 Hermosa Avenue #5, Hermosa Beach, California 90254, and 1608 West 21st Street, San Pedro, California 90732. He is also the sole member of GlobalOne Financial, LLC as reflected in its operating agreement. The GlobalOne entities will be referred to collectively as "GlobalOne."
6. Roberta R. Couri ("Couri") is an individual who at all times material hereto has been an agent of either Balfour or GlobalOne, with a last known address of 21212 Harbor Way #146, Miami, Florida 33180-3592.
7. During the fall and winter of 2008, as an agent of Balfour, Couri offered and sold to at least one person in Wisconsin over 362,740 shares of stock in Automotive Warranty Solutions, LLC ("AWS") over \$362,740.

¹ Unless otherwise noted, all statutory references will be to the Wisconsin Statutes (2005-06), which were in effect at the time of the initial violation alleged herein and apply to this matter pursuant to Wis. Stat. § 551.703 (2007-08).

8. While offering the AWS stock to the Wisconsin investor, Couri told the Wisconsin investor that the company was looking for private equity investors to fund its expansion, and was planning to go public in the near future at \$3/share, and was expected to increase to \$14-20/share shortly after the initial public offering ("IPO").
9. In offering the AWS stock to the Wisconsin investor, Couri failed to disclose to the Wisconsin investor the following material facts:
 - a. Balfour was not registered as a broker-dealer or investment adviser in Wisconsin.
 - b. Couri was not registered as a securities agent or investment adviser representative in Wisconsin.
 - c. Couri was the subject of a Cease and Desist Order issued on November 24, 2003 by the Maine Office of Securities for engaging in unlawful commodities trading.
 - d. On September 15, 2006, the United States District Court for the Eastern District of Pennsylvania entered a Consent Order for a permanent injunction against Allen for violations of the Commodities Exchange Act and its related regulations, prohibiting him from registering with the U.S. Commodities Futures Trading Commission ("CFTC"), and engaging in any further commodities trading or committing acts of fraud, and further ordered Allen to pay civil monetary penalties and restitution.
 - e. The stock being purchased belonged to Balfour, so the investment money would not go to the company for capital expansion, but to Balfour.
10. In offering the AWS units, Couri made the following material misrepresentations to the Wisconsin investor:
 - a. The Wisconsin investor would receive certificates for his shares of AWS, as promised by Couri.
 - b. AWS was planning to go public in the near future at \$3/share.
 - c. AWS would be worth significantly more than the IPO price after the IPO occurred.
11. In January 2009, Couri contacted the Wisconsin investor to inform him she had joined Scott, who had 20 years experience in financial services and founded GlobalOne, LLC, which she described as a start-up company planning to market electronic trading and financial software platforms.
12. Between January 2009 and May 2009, Couri and Scott offered and sold approximately 355,114 units of GlobalOne LLC at \$1/unit the Wisconsin investor through unit purchase agreements, a redacted example of which is attached hereto as Exhibit 1.
13. In offering the LLC units to the Wisconsin investor, Couri and Scott spoke with the Wisconsin investor by telephone on several occasions, representing that GlobalOne, LLC would go public in about 18 months at \$3-4/unit, that this investment with the Balfour investments would make him a million dollars, and failing to disclose that the LLC units had not been registered for sale in Wisconsin, that Couri was not registered to sell

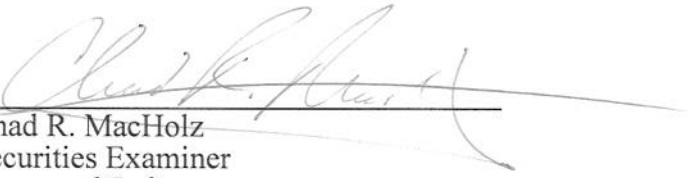
securities in Wisconsin, and was the subject of a Cease and Desist Order issued on September 23, 2003 by the Maine Office of Securities for engaging in unlawful commodities trading.

14. In the fall of 2009, Couri and Scott gave the Wisconsin investor a Confidential Private Offering Memorandum ("CPOM") for Participating Convertible Preferred Stock in Global One Inc., to be exchanged for his units in GlobalOne LLC in October 2009.
15. The CPOM was the first written document the Wisconsin investor received that discussed any of the specifics of the investment in either GlobalOne entity. After receiving this document (months after he invested), the Wisconsin investor asked Couri about some of the risk factors listed, but since she told him that they didn't mean anything, so he did not inquire further.
16. In early 2010, the Wisconsin investor grew uncomfortable with the lack of progress of GlobalOne, Inc., and requested his investment be returned. Despite Couri's assurances that he would get his money back, the investor was never repaid.
17. A second Wisconsin investor was contacted by an agent of Scott in the fall of 2008 regarding an investment in a Wyoming LLC managed by Scott called LiveCore Health Technologies, LLC ("LiveCore"), which planned to help the homeless achieve financial independence through a reality TV show. Scott said it would be going public within a year, increasing its value substantially.
18. Between September 2008 and February 2009, Scott sold the second Wisconsin investor approximately 35,000 units of LiveCore for \$1/unit.
19. Between February 2009 and May 2009, Scott offered and sold the second Wisconsin investor \$125,000 units in GlobalOne LLC at \$1/unit, which were converted to shares of GlobalOne Inc., in October 2009, shortly after the second Wisconsin investor received the CPOM and executive summary for GlobalOne Inc., which was not given to him when he invested in the LLC units.
20. In offering the GlobalOne LLC units to the second Wisconsin investor, Scott and his agent failed to disclose that the GlobalOne LLC units had never been registered in Wisconsin, and that neither Scott nor his agent were registered as securities agents or investment adviser representatives in Wisconsin.
21. In offering the GlobalOne LLC units to the second Wisconsin investor, Scott made material misrepresentations to the second Wisconsin investor that GlobalOne LLC was planning to go public in 9 months to a year, and that GlobalOne LLC would be worth significantly more than the IPO price after the IPO occurred.
22. Because investors will not be involved in the day-to-day management of either GlobalOne LLC or Livecore, nor do the investors have the expertise or experience necessary to perform the necessary duties, the investments in the limited liability company units of GlobalOne LLC and LiveCore are investment contract securities as defined in Wis. Stat. § 551.102(28)(e).
23. Each Respondent violated Wis. Stat. § 551.301 by offering unregistered securities to investors in Wisconsin.

24. In connection with the offers of the securities described above, Balfour and Allen transacted business in Wisconsin as a "broker-dealer," as that term is defined by Wis. Stat. § 551.102(4).
25. At no time were either Balfour or Allen registered as a broker-dealer pursuant to Wis. Stats. Ch. 551.
26. Respondents Balfour and Allen violated Wis. Stat. § 551.401(1) by transacting business in Wisconsin as a broker-dealer without registration.
27. In connection with the offers of the securities described above, Couri transacted business in Wisconsin as an "agent" for Balfour and GlobalOne, as that term is defined by Wis. Stat. § 551.102(2).
28. Couri has never been registered as a securities agent pursuant to Wis. Stats. Ch. 551.
29. Couri violated Wis. Stat. § 551.402(1) by transacting business in Wisconsin as a securities agent without registration.
30. Allen, Balfour, Scott and GlobalOne violated Wis. Stat. § 551.402(4) by employing an unregistered agent to represent them in Wisconsin.
31. All Respondents violated Wis. Stat. § 551.501(2) by making material misstatements of material fact to the Wisconsin investors, and by omitting to state material facts 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 set forth above.

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

Dated this 30th day of April, 2014.


Chad R. MacHolz
Securities Examiner
Bureau of Enforcement


Leslie M. Van Buskirk
Attorney Supervisor
Bureau of Enforcement

UNIT PURCHASE AGREEMENT

THIS UNIT PURCHASE AGREEMENT (this "Agreement") is made as of the 23 day of February, 2009 by and between Purchaser) and Michael Scott ("Seller").

RECITALS:

Seller owns Units consisting of limited liability company membership interests of Global One Financial, LLC, a Delaware limited liability company ("Global One").

Seller desires to sell 55,200 Units (the "Units") to Purchaser, and Purchaser desires to purchase the Units from Seller, on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, Seller and Purchaser agree as follows:

1. Purchase and Sale. Upon execution of this Agreement, Purchaser agrees to purchase the Units from Seller, and Seller agrees to sell, transfer and assign the Units to Purchaser for the sum of Fifty five thousand two hundred (\$55,200) (the "Purchase Price") by delivery of a certified or bank check for such amount payable to the order of Seller.

2. Delivery. Upon execution of this Agreement, (i) Seller shall deliver the certificates representing the Units to Purchaser along with instrument(s) transferring ownership of the Units to Purchaser, and (ii) Purchaser shall deliver to Seller the check for the Purchase Price.

3. Representations of Purchaser: Purchaser represents and warrants to Seller as follows:

a. That he/she is an "Accredited Investor" as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act. Specifically, Purchaser is:

x i. a natural person whose individual net worth or joint net worth with that person's spouse, at the time of his or her purchase, exceeds \$1,000,000; or

 ii. a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

 iii. a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) (i.e., a person who has such knowledge and experience

in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment).

b. That he/she has knowledge and experience in finance, securities, investments and other business matters so as to be able to protect his/her interests in connection with this transaction.

c. That he/she understands the various risks of an investment in Global One and that he/she can afford to bear such risks, including, without limitation, the risk of losing the entire investment.

d. That he/she has consulted his/her own financial, legal and tax advisors with respect to the financial, legal and tax consequences of this transaction and has not relied on Seller, or his/her agents, representatives or professional advisors for advice as to such consequences.

e. That he/she is acquiring the Units for his/her own account for investment and not with a view to the sale or distribution of the Units and has no present intention of distributing or selling to others any of the Units.

4. **Representations and Warranties of the Seller.** Seller represents and warrants to Purchaser that Seller is the legal and beneficial owner of the Units, free and clear of all liens, encumbrances and adverse claims.

5. **No Survival of Representation.** The representations and warranties set forth in this Agreement shall not survive the consummation of the transaction set forth in Section 1.

6. **Notices.** All notices or other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or sent by overnight delivery, confirmed telecopy or prepaid first class registered or certified mail, return receipt requested, to the following addresses:

(a) If to Seller, to: Michael Scott
101 NE 3rd Ave Ste 1500
Fort Lauderdale, FL 33301
954-332-3511

Equity Trust Co

(b) If to Purchaser, to: _____

Any such notices shall be effective when delivered in person or sent by telecopy, one business day after being sent by overnight delivery or three business days after being sent by

registered or certified mail. Any of the foregoing addresses may be changed by giving notice of such change in the foregoing manner, except that notices for changes of address shall be effective only upon receipt.

7. Miscellaneous.

(a) Further Assurances. At any time, and from time to time, each party will execute such additional instruments and take such action as may be reasonably requested by the other party to carry out the intent and purposes of this Agreement.

(b) Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. This Agreement supersedes all prior negotiations, letters and understandings relating to its subject matter.

(c) Amendment. This Agreement may not be amended, supplemented or modified in whole or in part except by an instrument in writing signed by the parties.

(d) Assignment. This Agreement may not be assigned by any party to this Agreement without the prior written consent of the other party.

(e) Choice of Law. This Agreement will be interpreted, construed and enforced in accordance with the laws of the State of Florida without regard to its conflict of laws provisions.

(f) Headings. The section and subsection headings in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(g) Construction. The parties and their respective legal counsel participated in the preparation of this Agreement; therefore, this Agreement shall not be construed against or in favor of any of the parties, but rather in accordance with its fair meaning.

(h) Effect of Waiver. The waiver by any party of any breach of any provision of this Agreement will not be construed to be a waiver by any such party of any succeeding breach of that provision or a waiver by such party of any breach of any other provision.

(i) Severability. The invalidity, illegality or unenforceability of any provision or provisions of this Agreement will not affect any other provision of this Agreement, which will remain in full force and effect, nor will the invalidity, illegality or unenforceability of a portion of any provision of this Agreement affect the balance of such provision. In the event that any one or more of the provisions contained in this Agreement or any portion of such provisions shall, for any reason be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be reformed, construed and enforced as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.

(j) Venue; Jurisdiction. Any suit, action or proceeding with respect to this Agreement shall be brought in the courts of Broward County in the State of Florida or in the U.S. District Court for the Southern District of Florida. Each of the parties expressly consent to the

exclusive jurisdiction of those courts for the purpose of any such suit, action or proceeding. Venue for any such action will be Broward County, Florida.

(k) Binding Nature. This Agreement will be binding upon and will inure to the benefit of any successors and assigns of the parties.

(l) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

[SIGNATURE BLOCKS ON FOLLOWING PAGE]

The parties have executed this Agreement on the date first above written.

SELLER:

USA
Michael Scott

PURCHASER:

✓

Tax ID/SSN: _____

DOB: _____

* Equities Trust Company Cust FBO

MAR 18 2009

Processed: _____
Equity Trust Company Cust. FBO: _____
IRA

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

CEASE AND DESIST ORDER
(SUMMARY)

A.J. BALFOUR & GROUP
INCORPORATED,

File No. S-228326 (EX)

Respondent.

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. A.J. Balfour & Group, Inc., its agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, shall cease and desist 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 Wis. Stats. Ch. 551 or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by A.J. Balfour & Group, Inc., its successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on its behalf, are hereby revoked.
- c. A.J. Balfour & Group, 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 Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30th day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE: This Order is effective on the date issued. Any person subject to the Order may request a hearing in the form of a written petition for hearing as provided in §§ DFI-Sec. 8.01, Wis. Adm. Code. If no hearing is requested, this Order will become final by operation of law 30 days after service.

You are advised that any willful violation of an Order issued by the Administrator of the Division of Securities under Wis. Stats. Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

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

In the Matter of

CEASE AND DESIST ORDER
(SUMMARY)

GLOBALONE FINANCIAL, LLC,

File No. S-228326 (EX)

Respondent.

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. GlobalOne Financial LLC, its agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, shall cease and desist 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 Wis. Stats. Ch. 551 or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by GlobalOne Financial LLC, its successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on its behalf, are hereby revoked.
- c. GlobalOne Financial LLC, 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 Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30th day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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

In the Matter of

CEASE AND DESIST ORDER
(SUMMARY)

GLOBALONE FINANCIAL, INC.,

File No. S-228326 (EX)

Respondent.

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. GlobalOne Financial Inc., its agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, shall cease and desist 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 Wis. Stats. Ch. 551 or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by GlobalOne Financial Inc., its successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on its behalf, are hereby revoked.
- c. GlobalOne Financial 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 Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30th day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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

In the Matter of

JOSEPH LEONARD ALLEN,

Respondent.

CEASE AND DESIST ORDER
(SUMMARY)

File No. S-228326 (EX)

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. Joseph Leonard Allen, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, shall cease and desist 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 Wis. Stats. Ch. 551, or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551, or successor statute that might otherwise apply to any offer or sale of any security of or by Joseph Leonard Allen, his successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.
- c. Joseph Leonard Allen, his successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from violating Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30~~th~~ day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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

In the Matter of

CEASE AND DESIST ORDER
(SUMMARY)

ROBERTA R. COURI,

File No. S-228326 (EX)

Respondent.

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. Roberta R. Couri, her agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on her behalf, shall cease and desist 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 Wis. Stats. Ch. 551, or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551, or successor statute that might otherwise apply to any offer or sale of any security of or by Roberta R. Couri, her successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on her behalf, are hereby revoked.
- c. Roberta R. Couri, her successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on her behalf, are prohibited from violating Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30th day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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

In the Matter of

CEASE AND DESIST ORDER
(SUMMARY)

MICHAEL JEFFERY SCOTT,

File No. S-228326 (EX)

Respondent.

Based upon the attached Petition for Order, I have reason to believe 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 Wis. Stat. § 551.604(1),

IT IS ORDERED THAT:

- a. Michael Jeffery Scott, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, shall cease and desist 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 Wis. Stats. Ch. 551, or successor statute.
- b. All exemptions from registration set forth at Wis. Stats. Ch. 551, or successor statute that might otherwise apply to any offer or sale of any security of or by Michael Jeffery Scott, his successors, affiliates, controlling persons, and every entity and person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.
- c. Michael Jeffery Scott, his successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from violating Wis. Stat. § 551.501, or successor statute.

EXECUTED at Madison, Wisconsin, this 30th day of April, 2014.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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