

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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State Securities Board

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JOSE ADAN TREVINO
MEMBER

SSB Docket No. 99-012

IN THE MATTER OF THE APPLICATION
FOR AGENT REGISTRATION OF
RICHARD ERIC COLE

§
§
§

Order No. CAF-1341

To: Mr. Richard Eric Cole (CRD #2894210)
5030 Bryn Mawr
McKinney, Texas 75070

DISCIPLINARY ORDER REPRIMANDING AN AGENT

Be it remembered that Richard Eric Cole ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and the Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 1999) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 1999) ("Administrative Procedure Act").
2. Respondent rendered services as an investment adviser without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.
3. Respondent is an officer of The Cole Group, Inc. The Cole Group, Inc. rendered services as an investment adviser without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act. Respondent acted as an investment advisory agent of The Cole Group, Inc. without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.

4. Respondent filed an application for registration with the Securities Commissioner as an agent of Financial Network Investment Corporation on or about January 12, 1999.

UNDERTAKING

1. Respondent agrees that neither he individually nor the Cole Group, Inc. will render services as an investment adviser, nor he individually as an investment adviser agent, unless registered with the Securities Commissioner or exempt.

CONCLUSIONS OF LAW

1. Pursuant to Section 14.A(6) of the Texas Securities Act, each of the foregoing violations of the Texas Securities Act constitutes a basis for the issuance of an order reprimanding an investment adviser or an agent.
2. Pursuant to Section 23-1 of the Texas Securities Act, each of the foregoing violations of the Texas Securities Act constitutes a basis for the issuance of an order assessing an administrative fine against an investment adviser or an agent.

ORDER

1. It is therefore ORDERED that the registration of Respondent Richard Eric Cole as an agent of Financial Network Investment Corporation is hereby GRANTED;
2. It is further ORDERED that Respondent is hereby REPRIMANDED;
3. It is further ORDERED that Respondent shall pay an ADMINISTRATIVE FINE in the amount of Two Thousand Dollars (\$2,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Two Thousand Dollars (\$2,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 17th day of February, 1999.


DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:
Richard Eric Cole

Richard Eric Cole

Approved as to
Form:

Michael S. Gunst

Michael S. Gunst, Director
Dealer Registration Division

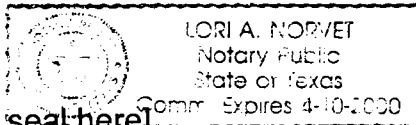
Charles S. Neal

Charles S. Neal, Attorney
Enforcement Division

ACKNOWLEDGMENT

On the 16th day of FEBRUARY, 1999, Richard Eric Cole, Respondent, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of Respondent's rights under The Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusion of Law contained therein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived Respondent's rights as set forth therein.



Lori A. Norvet
Notary Public in and for
the State of Texas

My commission expires on:

4-10-2000