DENISE VOIGT CRAWFORD SECURITIES COMMISSIONER

JOHN R MORGAN DEPUTY SECURITIES COMMISSIONER

> Marl: P.O. BOX 13167 AUSTIN. TEXAS 78711-3167

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Texas State Securities Board

208 E. 10th Street, 5th Floor Austin, Texas 78701-2407 www.ssb.state.tx.us JACK D. LADD CHAIRMAN

BRYAN K. BROWN MEMBER

BETH ANN BLACKWOOD MEMBER

EDWARD ESCUDERO MEMBER

IN THE MATTER OF PAINTED HORSE, LLC, AND WORLD CLASS ADVISORS, LLC, AND JAMES ANTHONY MCCOY

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Order No. ENF-08-CDO-1650

TO: Painted Horse, LLC 3000B East Main St., #353

Columbus, OH 43209

World Class Advisors, LLC 3000B East Main St., #353 Columbus. OH 43209

James Anthony McCoy 3000B East Main St., #353 Columbus, OH 43209

AGREED CEASE AND DESIST ORDER

Be it remembered that Painted Horse, LLC ("Respondent Painted Horse"), **by** and through its manager, James Anthony McCoy ("Respondent McCoy"); World Class Advisors, LLC ("Respondent World"), by and through its manager, Respondent McCoy; and James Anthony McCoy, individually; collectively "Respondents", appeared before the Securities Commissioner of Texas ("Securities Commissioner") and consented to the entry of this Order ("Order") and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

I. Respondents have waived (a) Respondents' right to notice and a hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2007) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2007) ("Administrative Procedure Act").

- 2. Bespondent Painted Horse is a Wyoming limited liability company that maintains a last known address of 3000B East Main St., #353, Columbus, OH 43209.
- 3. Respondent McCoy is the sole manager of Respondent Painted Horse and he maintains a last known address of 3000B East Main St., #353, Columbus, OH 43209.
- 4 Respondent World is an Ohio limited liability company that maintains a last known address of 3000B East Main St., #353, Columbus, OH 43209. Respondent McCoy is the sole manager of Respondent World.
- 5. On or around November 6, 2007, Respondents ran an advertisement in the Houston Chronicle, a newspaper of general public circulation, stating the following: "Oil and Gas venture. \$500-\$1 MIL needed, 25% preferred return plus profit participation. Call 800-790-0326 for details."
- 6. Respondents have offered for sale in Texas equity interests in Respondent Painted Horse, a company seeking to acquire and develop oil leases located on or around the Fort Berthold Indian Reservation in North Dakota. Respondents have also offered an annual return of 20%, 5% payable quarterly. Investors who submit funds within 7 days receive a 25% annual return.
- 7. The investments were not registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
- 8. Respondents were not registered with the Securities Commissioner as dealers or agents at any time material hereto. 2

CONCLUSIONS OF LAW

- 1. The above-described investments are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
- 2. Respondents have violated Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
- Respondents have violated Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
- 4. The foregoing violations constitute bases for the issuance of a Cease and Desist Order pursuant to Section 23.A of the Securities Act.

ORDER

- 1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
- 2. It is further ORDERED that Respondents immediately CEASE AND DESIST from the offer and sale of securities in Texas until Respondents are registered with the Securities Commissioner as dealers or agents or an available exemption from registration is utilized.

SIGNED AND ENTERED by the Securities Commissioner this 28^{+h} day of

<u>March</u>,2008.

Senise Voigt Gawford

DENISE VOIGT CRAWFORD Securities Commissioner

Respondents: Painted Horse, LLC

Jam A. m James Anthony McCoy, Manager

World Class Advisors, LLC

A.

James Anthony McCoy, Manager

James Anthony McCoy

Tames Anthony McCoy, Individually

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Modev Lovelle Assistant Directo **Enforcement Division**

On the 1/7 day of 200, Painted Horse, LLC ("Respondent"), by and through its manager, James Anthony McCoy, personally appeared before me, executed the foregoing Order and acknowledged that:

- 1. James Anthony McCoy is duly authorized to enter into the foregoing Order on behalf of Respondent;
- 2. James Anthony McCoy has read the foregoing Order;
- 3. Respondent has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
- **4.** Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- 5. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.

Notary Public in and for the State of 2410 My commission expires on: 1208 08



ACKNOWLEDGMENT

On the <u>17</u> day of <u>Mach</u>, 200<u>8</u>, World Class Advisors, LLC ("Respondent"), by and through its manager, James Anthony McCoy, personally appeared before me, executed the foregoing Order and acknowledged that:

- 1. James Anthony McCoy is duly authorized to enter into the foregoing Order on behalf of Respondent;
- 2. James Anthony McCoy has read the foregoing Order;
- 3. Respondent has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
- **4.** Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- 5. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.

Notary Public in and for the State of $\mathcal{O}H\mathcal{O}$ My commission expires on: 1205 08 STEVEN D.WILLIAMS Vota y Public State of Ohio My Commision Expires 12-08-08

ACKNOWLEDGEMENT

On the $\frac{l}{2}$ day of $\frac{h}{2}$ day of $\frac{h}{2}$ and $\frac{h}{2}$ day of $\frac{h}{2}$ and $\frac{h}{2}$ day of $\frac{h}{2}$ day of \frac{h}{2} day of $\frac{h}{2}$ day of \frac{h}{2} day of $\frac{h}{2}$ day of \frac{h}{2} day of

1. Respondent has read the foregoing Order;

2. Respondent has been fully advised of his rights under the Texas 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 Conclusions of Law contained therein; and,

4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



STEVEN D. WILLIAMS

iotary Public, State of Ohlo Commision Expires 12-08-08