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WILLIAM R. SMITH
MEMBER

IN THE MATTER OF THE APPLICATION §
FOR INVESTMENT ADVISER REPRESENTATIVE §
REGISTRATION OF §
LARRY SAUNDERS §

Order No. IC06-CEN-56

TO: Larry Saunders (CRD No. 2146896)
Investors Advantage LLC
4131 Spicewood Springs Road, Suite K7
Austin, TX 78759

DISCIPLINARY ORDER

Be it remembered that Larry Saunders ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("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. 2006) ("Texas Securities Act") and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2006) ("Administrative Procedure Act").
2. From on or about November 28, 1995 to the present, Investors Advantage LLC ("Investors Advantage") has been registered under the Investment Advisers Act of 1940 with the U.S. Securities and Exchange Commission as an investment adviser, and is a federal covered investment adviser that is notice-filed with the Securities Commissioner.
3. From on or about January 2, 1996 to on or about December 31, 2002, Respondent was registered with the Securities Commissioner as an investment adviser representative for Investors Advantage.
4. Pursuant to §116.2(f)(3) of the Rules and Regulations of the Texas State Securities Board ("Board Rules") effective March 6, 2002, all persons seeking registration with the Securities Commissioner as an investment adviser representative were required to file the Uniform Application for Securities Industry

Registration or Transfer ("Form U-4") via the electronic filing system maintained by the NASD, Inc. ("NASD").

5. As of December 31, 2002, Respondent had not filed an electronic Form U-4 application with the Securities Commissioner as an investment adviser representative, and did not transition onto the electronic filing system maintained by the NASD.
6. From on or about January 1, 2003 to the present, Respondent provided investment advice for compensation to Investors Advantage's clients in Texas, at times when Respondent was not registered with the Securities Commissioner as an investment adviser representative for Investors Advantage.
7. On or about May 5, 2006, Respondent applied for registration with the Securities Commissioner as an investment adviser representative for Investors Advantage, which is currently pending.
8. Pursuant to Section 12.B of the Texas Securities Act and §116.1(b)(1)(A) of the Board Rules, any person employed, appointed or authorized by an investment adviser to act or render services as an investment adviser representative for compensation in this state must first be registered as an investment adviser representative for such investment adviser, notice-filed or otherwise exempt.
9. Pursuant to Section 14.A(6) of the Texas Securities Act, the Securities Commissioner may reprimand a registered investment adviser representative, if the investment adviser representative has violated any provision of the Texas Securities Act or the Board Rules.

CONCLUSIONS OF LAW

1. Respondent rendered services in Texas as an "investment adviser representative" as that term is defined by Section 4.P of the Texas Securities Act.
2. From on or about January 1, 2003 to the present, Respondent rendered services as an investment adviser representative for Investors Advantage in violation of Section 12.B of the Texas Securities Act and §116.1(b)(1)(A) of the Board Rules.
3. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding a registered investment adviser representative.

ORDER

1. It is therefore ORDERED that the registration of Larry Saunders as an investment adviser representative for Investors Advantage LLC is hereby GRANTED.

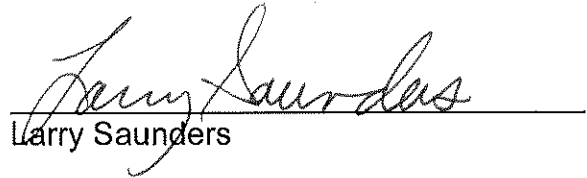
2. It is further ORDERED that Larry Saunders is hereby REPRIMANDED.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 29th
day of December, 2006. [^]
Deputy

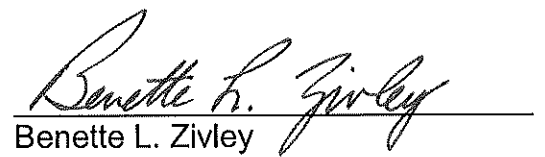
DENISE VOIGT CRAWFORD
Securities Commissioner


Deputy Securities Commissioner

Respondent:


Larry Saunders

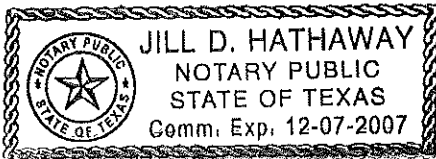
Approved as to Form:


Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 22 day of December, 2006, Larry Saunders ("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 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.



[affix notary seal here]

Jill D. Hathaway
Notary Public in and for
The State of Texas

My commission expires on: Dec. 7, 2007