

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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State Securities Board

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JOSE ADAN TREVINO
MEMBER

SSB Docket No. 99-009

IN THE MATTER OF THE APPLICATIONS FOR
THE INVESTMENT ADVISER REGISTRATION
OF TAD EDWIN CROMER D/B/A FINANCIAL
SECURITY ANALYSIS AND THE AGENT
REGISTRATION OF RANDEL RAY STRINGER

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Order No. CAF-1338

To: Tad Edwin Cromer d/b/a Financial Security Analysis (File # 29884)
112 Bedford Road, Suite 116
Bedford, Texas 76022

Tad Edwin Cromer (CRD# 2462662)
7521 April Lane
West Richmond Hills, Texas 76180

Randel Ray Stringer (CRD# 2249890)
1415 Newsom
Mineola, Texas 75773

DISCIPLINARY ORDER REPRIMANDING AN INVESTMENT ADVISER AND AGENT

Be it remembered that Tad Edwin Cromer d/b/a Financial Security Analysis ("Respondent Cromer"), and Randel Ray Stringer ("Respondent Stringer"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and Undertaking and, without admitting all but the First Finding of Fact or denying any, the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondents Cromer and Stringer have waived: (a) Respondents' right to notice and 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. 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. Respondents Cromer and Stringer have been registered with the Securities Commissioner as agents of National Securities Corporation since on or about June

5, 1995. Respondent Stringer was registered with the Securities Commissioner as an investment adviser under the name Randel Ray Stringer d/b/a Financial Security Analysis from on or about March 16, 1996 to on or about December 31, 1997.

3. Respondents Cromer and Stringer filed applications for registration with the Securities Commissioner as an investment adviser and an agent, respectively, on or about November 6, 1998. Said applications are currently pending before the Securities Commissioner.
4. Respondent Cromer has acted as an investment adviser, and as an agent of an investment adviser, without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.
5. Respondent Stringer encouraged and permitted Respondent Cromer to render services as an investment adviser agent on behalf of Respondent Stringer, at a time when Respondent Cromer was not registered with the Securities Commissioner as an agent of Respondent Stringer as required by Section 12 of the Texas Securities Act.
6. Respondents have cooperated with the Staff in this matter, including voluntarily disclosing their conduct to the Staff.

CONCLUSIONS OF LAW

1. Rendering services as an investment adviser or an investment adviser agent without being registered with the Securities Commissioner constitutes a violation of Section 12 of the Texas Securities Act unless exempt.
2. An investment adviser encouraging or permitting an unregistered person to render services as an investment adviser agent on the investment adviser's behalf in violation of Section 12 of the Texas Securities Act constitutes aiding and abetting the unregistered person's violation of Section 12, and is therefore a violation of Section 12 by the investment adviser as well.
3. The foregoing violations constitute violations of Section 14.A(6) of the Texas Securities Act, which is a basis for the issuance of an order reprimanding an investment adviser and an agent.
4. Pursuant to Section 23-1 of The Securities Act, the foregoing violations of the Texas Securities Act constitute bases for the issuance of an order assessing an administrative fine against an investment adviser and an agent.

UNDERTAKING

1. Respondents Cromer and Stringer represent to the Securities Commissioner that they will not render investment advisory services or encourage or permit others to do so on their behalf unless each is registered with the Securities Commissioner or

exempt from the registration requirements of the Texas Securities Act.

2. Respondents Cromer and Stringer agree to fully cooperate with the Staff of the State Securities Board in any investigation of other persons and entities by the Staff and resulting proceeding that may occur.

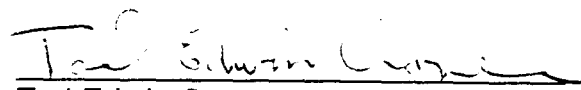
ORDER

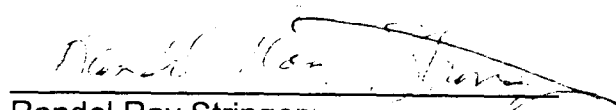
1. It is therefore ORDERED that the registrations of Tad Edwin Cromer d/b/a Financial Security Analysis and Randel Ray Stringer, as a investment adviser and an agent respectively, are hereby GRANTED;
2. It is further ORDERED that Respondents Cromer and Stringer are hereby REPRIMANDED;
3. It is further ORDERED that Respondent Stringer is ASSESSED AN ADMINISTRATIVE FINE in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of One Thousand Two Hundred Dollars (\$1,250.00), payable to the State of Texas, contemporaneously with the delivery of this Order;
4. It is further ORDERED that Respondent Cromer is ASSESSED AN ADMINISTRATIVE FINE in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 10th day of February, 1999.


DENISE VOIGT CRAWFORD
Securities Commissioner

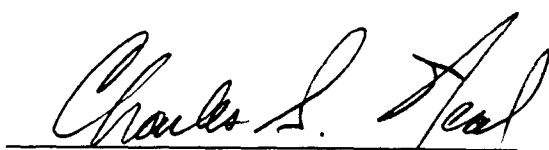
Respondents:


Tad Edwin Cromer


Randel Ray Stringer

Approved as to Form:

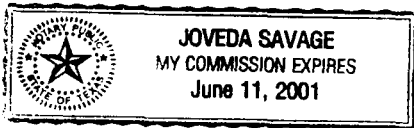

Michael S. Gunst, Director
Dealer Registration Division


Charles S. Neal, Attorney
Enforcement Division

ACKNOWLEDGMENT

On the 7th day of February, 1999, Tad Edwin Cromer ("Respondent Cromer") personally appeared before me, executed the foregoing Order and Undertaking and acknowledged that:

1. Respondent Cromer has read the foregoing Order and Undertaking;
2. Respondent Cromer has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Cromer knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and, without admitting all but the first Finding of Fact or denying any, the Findings of Fact and Conclusion of Law contained therein; and,
4. Respondent Cromer, by consenting to the entry of the foregoing Order and Undertaking, has knowingly and voluntarily waived his rights as set forth therein.



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Joveda Savage
Notary Public in and for
the State of TEXAS

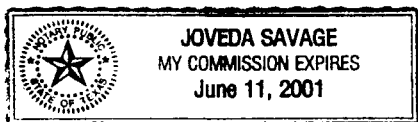
My commission expires on:

6-11-2001

ACKNOWLEDGMENT

On the 9th day of February, 1999, Randel Ray Stringer ("Respondent Stringer") personally appeared before me, executed the foregoing Order and Undertaking and acknowledged that:

1. Respondent Stringer has read the foregoing Order and Undertaking;
2. Respondent Stringer has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Stringer knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and, without admitting all but the first Finding of Fact or denying any, the Findings of Fact and Conclusion of Law contained therein; and,
4. Respondent Stringer, by consenting to the entry of the foregoing Order and Undertaking, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Joveda Savage
Notary Public in and for
the State of TEXAS

My commission expires on:

6-11-2001