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Texas State Securities Board

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IN THE MATTER OF	§	
TEXAS FIRST FINANCIAL, LLC; BOBBY	§	Order No. ENF-16-CDO-1746
EUGENE GUESS; AND MECHANICAL	§	
MOTION SOLUTIONS, LLC	§	

TO: Texas First Financial, LLC
5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034,
c/o Bob Guess, 4425 West Airport Freeway, Suite 120, Irving, Texas 75062, and
P.O. Box 1872, Van Alstyne, Texas 75495

Bobby Eugene Guess
5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034,
4425 West Airport Freeway, Suite 120, Irving, Texas 75062, and
P.O. Box 1872, Van Alstyne, Texas 75495

Mechanical Motion Solutions, LLC
5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034,
88 Center Church Rd., McMurray, Pennsylvania 15317, and
c/o Corporation Service Company d/b/a CSC-Lawyers Incorporating Service
Company, 211 E. 7th St., Suite 620, Austin, Texas 78701

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. arts. 581-1 to 581-44 (West 2010 & Supp. 2015) (the "**Texas Securities Act**").

The Staff of the Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. Texas First Financial, LLC ("**Respondent TFF**"), is a domestic limited liability company. It maintains last known addresses at 5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034, and 4425 West Airport Freeway, Suite 120, Irving, Texas 75062. It may be served through its Registered Agent, Bob Guess, at 4425 West Airport Freeway, Suite 120, Irving, Texas 75062.

2. Bobby Eugene Guess, aka Bob Guess ("**Respondent Guess**"), is the Founder, Chief Executive Officer and President of Respondent TFF. Respondent Guess maintains last known addresses at 5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034, 4425 West Airport Freeway, Suite 120, Irving, Texas 75062, and P.O. Box 1872, Van Alstyne, Texas 75495.
3. Mechanical Motion Solutions, LLC ("**Respondent MMS**"), is a domestic limited liability company. It maintains last known addresses at 5300 Town and Country Blvd., Suite 190, Frisco, Texas 75034, and 88 Center Church Rd., McMurray, Pennsylvania 15317. It may be served through its Registered Agent, Corporation Service Company, d/b/a CSC-Lawyers Incorporating Service Company, at 211 E. 7th St., Suite 620, Austin, Texas 78701. Respondent Guess is a Member of Respondent MMS.
4. Respondents TFF and Guess are describing Respondent TFF as follows:
 - a. It is a full service firm with advisers having over 70 years of combined experience in the financial service industry;
 - b. It is offering investments in health care, technology and real estate; and
 - c. It is offering investments that yield 9%, and in some instances 10% or 12%, annualized rates of return with little or no market risk.
5. Respondents TFF and Guess are operating a website at <http://www.texas1stfinancial.com> that allows visitors to schedule an appointment to discuss a "9% return backed dollar for dollar with hard assets." Respondents TFF and Guess are also advertising on various radio stations in Texas, such as WBAP News Talk 820 AM, KLIF News/Information 570 AM, and ESPN Dallas 103.3 FM. The website and radio spots direct viewers and listeners to contact Respondent TFF. Additionally, Respondents TFF and Guess are holding "9% Investment Forum & Dinner" seminars where attendees learn more about their 9% investment return opportunities.
6. Respondents TFF and Guess are offering the following investments for sale in Texas:
 - a. Promissory notes issued by a real estate company known as North-Forty Development, LLC. Investors purportedly receive an annualized investment return of 9% interest-only payments paid quarterly for a term of 24 months with the principal due at the expiration of the term or an annualized investment return of 9% interest with principal and interest due at the expiration of a 12 month term. They are purportedly backed by the Deeds of Trust for the properties developed;

- b. Promissory notes issued by a company engaged in the field of urgent care medicine known as Primary Urgent Care, LLC. Investors purportedly receive an annualized investment return of 9% interest-only payments paid quarterly for a term of 36 months with the principal due at the expiration of the term or an annualized investment return of 10% interest with interest and principal due at the expiration of a 36 month term. The promissory notes are purportedly backed by stock of the parent company;
 - c. Promissory notes issued by the Founder and Chief Executive Officer of Stamedia, Inc., a company that has recently merged with Meteora. Investors purportedly receive an annualized investment return of 12% with principal and interest due at the end of a 1 year term. The promissory notes are purportedly backed by stock issued by Stamedia, Inc. and owned by the Founder and Chief Executive Officer of Stamedia, Inc.; and
 - d. Promissory notes issued by Respondent MMS. Respondent MMS are engaged in expanding a health care delivery system called the Elite Adjuster. Investors purportedly receive an annualized investment return of 9% interest-only payments paid quarterly for a term of 36 months with the principal due at the expiration of the term or an annualized investment return of 10% interest with principal and interest due at the expiration of a 36 month term. The promissory notes are purportedly backed by a "provisional patent application."
7. Respondents TFF and Guess have also offered for sale, in Texas, investments issued by Credit Nation Capital, LLC ("**CN Capital**"). CN Capital raised funds from investors, who were told that they would receive a "9% return on [their] money backed by hard assets dollar for dollar."
8. On or about August 4, 2016, the Honorable Judge Mark J. Rush issued a search warrant based on probable cause to seize business records of Texas First Financial evidencing the commission of fraud in connection with the sale or offer for sale of securities, acting as an unregistered dealer or agent, and the sale or offer for sale of unregistered securities in violation of the Texas Securities Act. The judge found probable cause for the issuance of the search warrant based on the information set forth in the affidavit, including but not limited to the following:
- a. Investors funds placed with Stamedia, Inc., were used to perpetuate a Ponzi scheme;
 - b. From July 1, 2015, through January 29, 2016, the principals of Stamedia, Inc., used investors funds to pay for personal expenditures at an average of \$423,0000.00 per month; and
 - c. At least \$875,000.00, and perhaps as much as \$1.4 million, of investor funds placed with North-Forty Development, LLC, and companies associated with it, were expended for the benefit of the company's principal to cover a \$1,391,064.88 federal tax lien that was outstanding as of April 2016;

9. The promissory notes have not been registered by qualification, notification or coordination, and no permit has been granted for their sale in Texas.
10. Respondents TFF and Guess have not registered with the Securities Commissioner as dealers or agents at any time material hereto.
11. In connection with the offer for sale of the promissory notes, Respondents are intentionally failing to disclose information about Respondent Guess and CN Capital and said information constitutes material facts. Specifically, Respondent Guess was an owner of CN Capital and its Vice President of Sales and Marketing. On or about November 10, 2015, the United States Securities and Exchange Commission filed a complaint against CN Capital and others in Securities and Exchange Commission v. James A. Torchia, et al., Case No. 1:15-cv-03904, in the United States District Court for the Northern District of Georgia, Atlanta Division. The SEC alleged within its complaint that CN Capital was operating an ongoing offering fraud and Ponzi scheme. The complaint also alleged Respondent Guess represented the investment was "backed by hard assets dollar for dollar" when in truth and in fact the company's liabilities dwarfed its assets and the company sustained multi-million dollar per year operating losses. On or about April 25, 2016, the Court issued an Opinion and Order enjoining CN Capital and its employees from violating the federal securities laws, including the anti-fraud provisions, and appointed a receiver to marshal and protect CN Capital assets.
12. In connection with the offer for sale of the promissory notes issued by North-Forty Development, LLC, Respondent TFF is intentionally failing to disclose the material fact that a search warrant was executed at the premises of Respondent TFF on August 5, 2016.
13. In connection with the offer for sale of the promissory notes issued by the Founder and Chief Executive Officer of Stamedia, Inc., that are purportedly backed by stock issued by Stamedia, Inc., Respondents TFF and Guess are misrepresenting relevant facts, to wit:
 - a. That Stamedia, Inc., entered into a contract with The Home Depot; and
 - b. That Stamedia, Inc., closed a deal with Mercedes Benz of Plano whereby Stamedia, Inc. would generate \$70,000.00 a month for Stamedia, Inc.

CONCLUSIONS OF LAW

1. The promissory notes are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents are violating Section 7 of the Texas Securities Act by offering and selling securities in Texas at a time when the securities are not registered with the Securities Commissioner.

3. Respondents TFF and Guess are violating Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 and of Texas Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents' conduct, acts and practices threaten immediate and irreparable public harm.
6. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale and selling 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 TFF and Guess immediately CEASE AND DESIST from the offer and sale of securities in Texas until Respondents TFF and Guess are registered with the Securities Commissioner as dealers or agents or an available exemption from registration is utilized.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$10,000.00, or imprisonment in the penitentiary for not more than ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 15th day of August, 2016.



JOHN MORGAN
Securities Commissioner