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SECURITIES COMMISSIONER



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### State Securities Board

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KENNETH W. ANDERSON, JR.  
MEMBER

SSB Docket No. 00-003

IN THE MATTER OF CHARLES	§
W. L. JOHNSON, JR. d/b/a MATRIX	§
TRADING GROUP, INC. d/b/a SPOT	§
TRADING GROUP; NHAT HOAI	§
NGO d/b/a MATRIX TRADING GROUP,	§
INC. d/b/a SPOT TRADING GROUP;	§
AND RICKY DON KINCAID, JR. d/b/a	§
MATRIX TRADING GROUP, INC.	§
d/b/a SPOT TRADING GROUP	§

Order No. CDO/FIN-1384

TO: Charles W. L. Johnson, Jr.  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group  
515 Congress, Suite 1250  
Austin, Texas 78701

Nhat Hoai Ngo  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group  
515 Congress, Suite 1250  
Austin, Texas 78701

Ricky Don Kincaid, Jr.  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group  
515 Congress, Suite 1250  
Austin, Texas 78701

### CEASE AND DESIST ORDER

Be it remembered that Charles W. L. Johnson, Jr. d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group; Nhat Hoai Ngo d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group; and Ricky Don Kincaid, Jr. d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group (hereinafter collectively referred to as "Respondents" and individually

referred to as "Respondent Johnson", "Respondent Ngo", and Respondent Kincaid"), appeared before the Deputy Securities Commissioner of the State of Texas ("Deputy 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. Respondents 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. 2000) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§ 2001.001 et seq. (Vernon Supp. 2000) ("Administrative Procedure Act").
2. Matrix Trading Group, Inc., at all times relevant to this Order, was not a corporation.
3. Respondents have issued, offered, and sold, in Texas, promissory notes coupled with guarantees that, by their terms, promise to pay the investors' funds derived from the net monthly income from Matrix Trading Group, Inc. d/b/a Spot Trading Group.
4. The promissory notes coupled with guarantees are securities as defined in Section 4.A of the Texas Securities Act.
5. In connection with the offer and sale of the said securities, Respondents utilized cash flow projections that were not made honestly and in good faith. The issuance of projections not made honestly and in good faith is a fraudulent practice pursuant to Section 4.F.
6. Respondents have cooperated in the investigation of this matter and have undertaken and agreed to repay the investors.

### CONCLUSIONS OF LAW

1. A basis for the issuance of a cease and desist order exists pursuant to Section 23.A of the Texas Securities Act.
2. Pursuant to Section 23-1 of the Texas Securities Act, the violation of a provision of the Texas Securities Act provides a basis for the issuance of an order assessing an administrative fine.

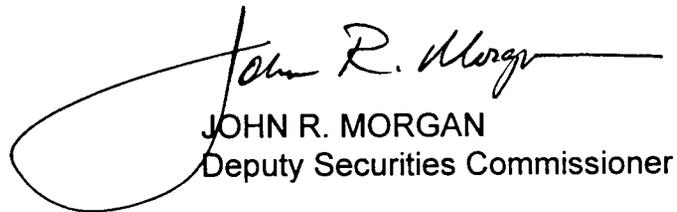
UNDERTAKING

1. Respondents hereby undertake and agree to repay the investors in this matter. Verification of repayment shall be made by forwarding a copy of such payments to the Enforcement Division contemporaneously with Respondents' submission of this order.

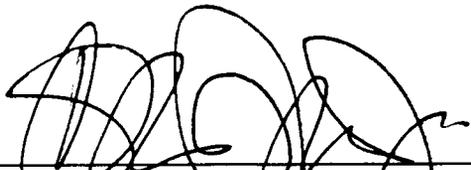
ORDER

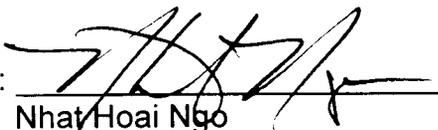
1. It is therefore ORDERED that Respondents CEASE AND DESIST from the offer and sale of the above-described securities until such securities are registered or an available exemption is utilized.
2. It is therefore ORDERED that Respondents shall jointly pay an ADMINISTRATIVE FINE in the amount of Ten Thousand Dollars (\$10,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Ten Thousand Dollars (\$10,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

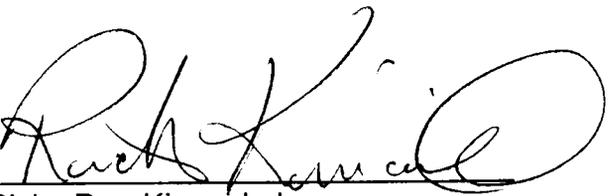
SIGNED AND ENTERED by the Deputy Securities Commissioner this 20th day of January, 2000.

  
JOHN R. MORGAN  
Deputy Securities Commissioner

Respondents:

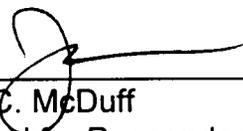
By:   
\_\_\_\_\_  
Charles W. L. Johnson, Jr.  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group

By:   
\_\_\_\_\_  
Nhat/Hoai Ngo  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group

By:   
\_\_\_\_\_  
Ricky Don Kincaid, Jr.  
d/b/a Matrix Trading Group, Inc.  
d/b/a Spot Trading Group

Approved as to Form:

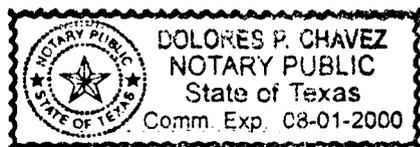
  
\_\_\_\_\_  
David Grauer  
Director  
Enforcement Division

  
\_\_\_\_\_  
John C. McDuff  
Counsel for Respondents

ACKNOWLEDGMENT

On the 19th day of JANUARY, 2000, Charles W. L. Johnson, Jr. d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group ("Respondent Johnson"), personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Johnson has read the foregoing Order;
2. Respondent Johnson has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Johnson 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 Johnson, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



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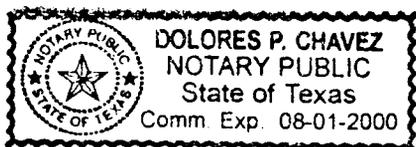
Dolores P. Chavez  
Notary Public in and for  
the State of TEXAS

My commission expires on: 8-1-00

ACKNOWLEDGMENT

On the 18th day of January, 2000, Nhat Hoai Ngo d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group ("Respondent Ngo"), personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Ngo has read the foregoing Order;
2. Respondent Ngo has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Ngo 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 Ngo, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



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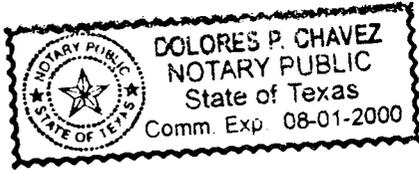
Dolores P. Chavez  
Notary Public in and for  
the State of Texas

My commission expires on: 8-1-00

ACKNOWLEDGMENT

On the 19th day of JANUARY, 2000, Ricky Don Kincaid, Jr. d/b/a Matrix Trading Group, Inc. d/b/a Spot Trading Group ("Respondent Kincaid"), personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Kincaid has read the foregoing Order;
2. Respondent Kincaid has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Kincaid 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 Kincaid, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Dolores P. Chavez  
Notary Public in and for  
the State of TEXAS

My commission expires on: 8-1-00