

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



JOSE ADAN TREVINO
CHAIRMAN

JOHN R. MORGAN
DEPUTY SECURITIES COMMISSIONER

NICHOLAS C. TAYLOR
MEMBER

State Securities Board

MAIL: P.O. BOX 13167
AUSTIN, TEXAS 78711-3167

208 E. 10th Street, 6th Floor
Austin, Texas 78701
Phone (512) 305-8300
FAX (512) 305-8310
<http://www.ssb.state.tx.us>

KENNETH W. ANDERSON, JR.
MEMBER

SSB DOCKET NO. 01-27

IN THE MATTER OF THE
AGENT REGISTRATION OF
CHARLES MILTON COE

§
§
§

ORDER NO. CEN/SUS-1440

TO: Mr. Charles Milton Coe (CRD # 2057158)
United Securities Alliance, Inc.
8 Inverness Drive East, Suite 100
Englewood, Colorado 80112

DISCIPLINARY ORDER REPRIMANDING AND SUSPENDING AN AGENT

Be it remembered that Charles Milton Coe ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and 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. 2001) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2001) ("Administrative Procedure Act").
2. Respondent is currently registered with the Securities Commissioner as an agent of United Securities Alliance, Inc.
3. Respondent offered for sale and sold interests in a coin-operated, customer-owned telephone program while employed with United Securities Alliance, Inc. without the consent or approval of his dealer.
4. The interests in the coin-operated, customer-owned telephone programs are securities as defined in Section 4.A of the Texas Securities Act.

5. Respondent offered for sale and sold the securities which were not registered with the Securities Commissioner or exempt from registration in violation of Section 7 of the Texas Securities Act.
6. Respondent was not registered as a dealer with the Securities Commissioner to sell the securities as required by Section 12 of the Texas Securities Act.
7. Respondent failed to amend his Form U-4 application filed with the Securities Commissioner as an agent of United Securities Alliance, Inc. and to disclose this outside business activity and employment within 30 days, as required by Section 115.1(g) of the Rules and Regulations of the State Securities Board ("Board Rules") and the Form U-4 application.
8. Pursuant to Section 101.2(c) of the Board Rules certain forms required to be filed with the Securities Commissioner, including the Form U-4, have been adopted as Board Rules.
9. Respondent has cooperated with the Enforcement Division in its investigation of this matter.
10. Respondent has reimbursed the investors the amounts earned in commissions from the sale of the securities.

UNDERTAKING

1. Respondent hereby agrees to cooperate with any investigation by the Enforcement Division of the State Securities Board or other law enforcement agencies, relating to any employer who has engaged in the offer and/or sale of coin-operated, customer-owned telephones programs, including, but not limited to, providing information or documents and testifying in any civil, administrative or criminal proceeding brought by this Agency or any other law enforcement entity or self-regulatory organization.
2. Respondent hereby agrees not to engage in any business activity without being properly registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act. In the event Respondent believes such activity is exempt from registration under Section 5 of the Texas Securities Act, Respondent will not engage in such activity without first obtaining approval from his dealer.
3. Respondent agrees not to engage in any outside business activity without receiving written approval from his dealer prior to engaging in such activity.
4. Respondent agrees to immediately file an amended Form U-4 disclosing his past employment with National Communications Marketing, Inc.; Communications Marketing Association, Inc.; and ETS Payphones, Inc.

CONCLUSIONS OF LAW

Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding and suspending an agent.

ORDER

1. It is therefore ORDERED that Charles Milton Coe is hereby REPRIMANDED.
2. It is further ORDERED that the registration of Charles Milton Coe is suspended for five (5) business days from the date this Order is signed by the Securities Commissioner.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 19th day of October, 2001.


DENISE VOIGT CRAWFORD
Securities Commissioner

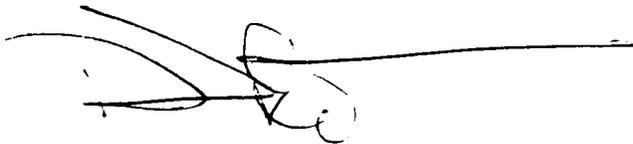
Respondent:


Charles Milton Coe

Approved as to Form:



Michael S. Gunst, Director
Inspection and Compliance Division

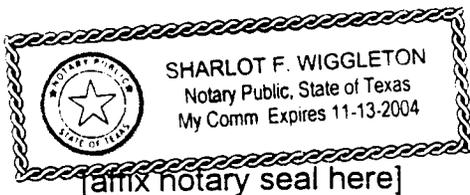


David Grauer, Director
Enforcement Division

ACKNOWLEDGMENT

On the 10 day of October, 2001, Charles Milton Coe ("Respondent") 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 herein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth herein.



Sharlot F. Wiggleton
Notary Public in and for
the State of Texas

My commission expires on: 11-13-04