

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

DON A. RASCHKE
DEPUTY SECURITIES COMMISSIONER

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

Phone: (512) 305-8300
Facsimile: (512) 305-8310



Texas State Securities Board

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.state.tx.us

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SSB Docket No. 03-041

IN THE MATTER OF
THELL G. PRUEITT DBA
FRESH START FUNDING GROUP;
DAVID K. HUGHES; ATM MARKETING, INC.;
PAUL R. MILLER; AND
ATM MANAGEMENT, INC.

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Order No. CD0-1538

TO: Thell G. Prueitt
DBA Fresh Start Funding Group
623 Gregg Drive
Spicewood, TX 78669
and
P.O. Box 159
Spicewood, TX 78669

ATM Management, Inc.
1500 S. Central Expwy., Suite 200
McKinney, TX 75070

Paul R. Miller
1500 S. Central Expwy., Suite 200
McKinney, TX 75070

David K. Hughes
3830 Windswept Drive
Montgomery, TX 77356
and
P.O. Box 1282
Montgomery, TX 77356-1282

ATM Marketing, Inc.
3830 Windswept Drive
Montgomery, TX 77356
and
P.O. Box 1282
Montgomery, TX 77356-1282

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. art. 581-1 et seq. (Vernon 1964 & Supp. 2003) ("Texas Securities Act").

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

FINDINGS OF FACT

1. Thell G. Prueitt DBA Fresh Start Funding Group ("Respondent Prueitt") is an individual whose last known business addresses are 623 Gregg Drive, Spicewood, Texas 78669 and P.O. Box 159, Spicewood, TX 78669.

2. ATM Marketing, Inc. ("Respondent ATM Marketing") is a Texas corporation with the last known business addresses of 3830 Windswept Drive, Montgomery, Texas 77356 and P.O. Box 1282, Montgomery, Texas 77356.
3. David K. "Dave" Hughes ("Respondent Hughes") is an individual who is President of Respondent ATM Marketing, and whose last known business addresses are the same as Respondent ATM Marketing.
4. ATM Management, Inc. ("Respondent ATM Management") is a Texas corporation with the last known business address of 1500 S. Central Expressway, Suite 200, McKinney, Texas 75070.
5. Paul R. Miller ("Respondent Miller") is an individual who is President of Respondent ATM Management, and whose last known business address is the same as Respondent ATM Management.
6. On or about June 26, 2003, Respondent Prueitt held a seminar at the Fresh Start Funding Group Training Center in Spicewood, Texas. In addition to Respondent Prueitt, Respondent Hughes was present and was identified as affiliated with Respondent ATM Marketing. Both Respondents Prueitt and Hughes provided information in the seminar and answered questions posed by attendees. Respondent Hughes discussed a program involving the purchase of automatic teller machines ("ATM") equipment from Respondent ATM Marketing, coupled with an "ATM Equipment Lease Program" offered by Respondent ATM Management, in which each purchaser would receive \$100 a month, plus an additional payment of \$.20 per transaction after 500 transactions a month for each ATM purchased. Respondent Hughes verbally described the terms of the purchase, as follows:
 - (a) Purchase one (1) ATM and a location for the ATM for \$10,000 from Respondent ATM Marketing;
 - (b) Select the "ATM Equipment Lease Program" option from Respondent ATM Management, which generates a fixed monthly payment of \$100 a month or 12% annually for 7 years, with an option for an additional 3 years; and
 - (c) Upon Respondent ATM Management's preparation of its initial public offering ("IPO") and notice of repurchase of ATM machines, Respondent ATM Management would buy back the ATM machine from the purchaser and give the purchaser pre-IPO shares of stock that the purchaser could then sell at the date of the IPO of Respondent ATM Management. If at the time of the notice of repurchase of ATM machines, the purchaser had already received monthly payments for two (2) years, then such purchaser would receive common stock in Respondent ATM Management. All investors who bought ATM machines today would, upon repurchase of the ATM machine by Respondent ATM Management, get preferred stock valued at \$10,000 and dividend payments on that stock for up to two (2) years.

At the conclusion of the seminar, Respondents Prueitt and Hughes provided a folder entitled "ATM Marketing Incorporated" to the seminar attendees. Included within the folder was information about Respondents Hughes, ATM Marketing, ATM

Management, and Miller and the "ATM Equipment Lease Program" offered by Respondent ATM Management, along with three (3) CD-ROMs titled "Fresh Start Funding Group, Dave Hughes, President of ATM Marketing, ATM Management: Past, Present, Future".

7. From on or about April 7, 2003, to the present, audio resources available on the internet website located at url address <http://www.freshstartfunding.com/> includes a link to a recording of a seminar titled "Life Purpose Planning and Implementation Conference". The website states that the seminar topics covered include "...Excellent information presented by Thell G. Prueitt, unique perspectives on taxes from a former IRS auditor, IPO opportunity with ATM Management Inc, and more!..." Section III of the "Life Purpose Planning and Implementation Conference" includes a presentation by Respondent Hughes about the purchase of ATMs from Respondent ATM Marketing and ATM Management. In the recording, Respondent Hughes describes the purchase of the ATM as follows:
 - (a) Purchase one (1) ATM and a location for the ATM for \$20,000 from Respondent ATM Marketing;
 - (b) Select the "ATM Equipment Lease Program" option from Respondent ATM Management, which generates a monthly payment of \$250 a month for ten (10) years; and
 - (c) Upon Respondent ATM Management's preparation of its initial public offering ("IPO") and notice of repurchase of ATM machines, Respondent ATM Management would buy back the ATM machine from the purchaser and give the purchaser 20,000 pre-IPO shares of Respondent ATM Management's stock that the purchaser could then sell at the date of the IPO.
8. At all times relevant to this Order, the records of the TSSB fail to reflect that any securities issued by Respondent ATM Marketing, Respondent ATM Management, or Respondent Prueitt dba Fresh Start Funding Group have been registered by qualification, notification or coordination and further fail to reflect that a permit has been granted for the sale of such securities in Texas.
9. At all times relevant to this Order, Respondents Prueitt, ATM Marketing, Hughes, ATM Management, and Miller (collectively "Respondents"), were not registered with the Securities Commissioner as securities dealers, agents, investment advisers, or investment adviser representatives.
10. Prior to the date of the above-referenced seminar, Respondent Prueitt was put on notice that the offer and/or sale of investment schemes involving coin-operated, customer-owned telephones and ATMs, constituted the offer and/or sale of securities and such offer and/or sale of securities violated the Texas Securities Act.

CONCLUSIONS OF LAW

1. The investments offered by Respondents are "securities" as defined by Section 4.A of the Texas Securities Act.

2. Respondents are acting as "dealers" in securities or "agents" of a dealer as those terms are defined in Section 4.C and 4.D of the Texas Securities Act.
3. Respondents violated Section 7 of the Texas Securities Act by engaging in the offer of the above-described securities without the securities being registered with the Securities Commissioner.
4. Respondents violated Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
5. Respondents' conduct, acts and practices threaten immediate and irreparable harm to the public.
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

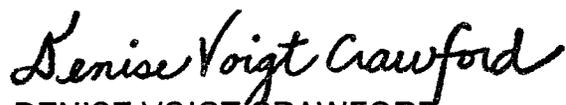
1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering securities to Texas residents until the securities have been registered with the Securities Commissioner or an available exemption is utilized.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from dealing in securities until they are registered with the Securities Commissioner or an available exemption is utilized.

NOTICE

Under Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served. The request for a hearing must be in writing, directed to the Securities Commissioner, stating 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 \$5,000 or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 22nd day of September, 2003.


DENISE VOIGT CRAWFORD
Securities Commissioner