

DENISE VOIGT CRAWFORD  
SECURITIES COMMISSIONER

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DEPUTY SECURITIES COMMISSIONER

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## 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. 03-049

IN THE MATTER OF THE  
APPLICATIONS FOR INVESTMENT  
ADVISER AND INVESTMENT ADVISER  
REPRESENTATIVE REGISTRATION OF  
TOP OF TEXAS FINANCIAL STRATEGIES,  
INC., AND PATRICK HENRY PHILLIPS, JR.

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Order No. CAF 1548

TO: Patrick Henry Phillips, Jr., President  
Top of Texas Financial Strategies, Inc. (CRD # 111518)  
720 W. 15th Avenue  
Amarillo, Texas 79101

Patrick Henry Phillips, Jr. (CRD # 1021928)  
Top of Texas Financial Strategies, Inc.  
720 W. 15th Avenue  
Amarillo, Texas 79101

### DISCIPLINARY ORDER

Be it remembered that Top of Texas Financial Strategies, Inc. ("Respondent TTFS"), by and through Patrick Henry Phillips, Jr., its President, and Patrick Henry Phillips, Jr. ("Respondent Phillips"), individually, (collectively "Respondents") 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. Respondents have waived (a) Respondents' right to appear and present evidence in this matter; (b) Respondents' right to appeal this Order; and (c) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2003) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2003) ("Administrative Procedure Act").

2. Respondent TTFS is a Texas corporation with a business address of 720 W. 15th Avenue, Amarillo, Texas. Respondent Phillips is President of Respondent TTFS with the same business address as Respondent TTFS.
3. On or about February 7, 2003, Respondents TTFS and Phillips filed for investment adviser and investment adviser representative registrations, respectively, with the Securities Commissioner, which are currently pending.
4. From on or about August 5, 1994, to on or about December 31, 2001, Respondent TTFS was registered with the Securities Commissioner as a notice-filer investment adviser. From on or about August 5, 1994 to on or about December 31, 2001, Respondent Phillips was registered with the Securities Commissioner as an investment adviser representative of Respondent TTFS.
5. From on or about January 1, 2002, till the Present, Respondents TTFS and Phillips have rendered services as an investment adviser and investment adviser representative, respectively, in Texas.

#### CONCLUSIONS OF LAW

1. Respondents TTFS and Phillips have violated the Texas Securities Act by rendering services as an investment adviser and investment adviser representative in Texas at a time when Respondents TTFS and Phillips were not registered with the Securities Commissioner, as required by Section 12 of the Texas Securities Act.
2. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violation constitute bases for the issuance of an order reprimanding an investment adviser and investment adviser representative.
3. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violation constitute bases for the issuance of an order assessing an administrative fine against an investment adviser.

#### ORDER

1. It is therefore ORDERED that the investment adviser registration of Top of Texas Financial Strategies, Inc. and investment adviser representative registration of Patrick Henry Phillips, Jr., are hereby GRANTED.
2. It is further ORDERED that Top of Texas Financial Strategies, Inc. and Patrick Henry Phillips, Jr., are hereby REPRIMANDED.

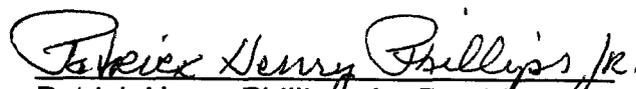
3. It is further ORDERED that Top of Texas Financial Strategies, Inc. is hereby assessed AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commission in the amount of Five Thousand Dollars (\$5,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 10<sup>th</sup> day of November, 2003.

  
DENISE VOIGT CRAWFORD  
Securities Commissioner

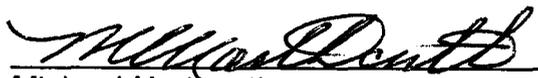
Respondents:

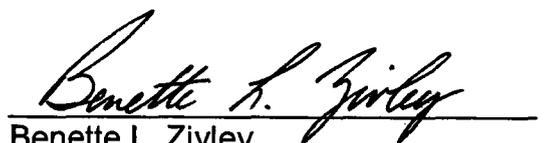
Top of Texas Financial Strategies, Inc.

  
Patrick Henry Phillips, Jr., President

  
Patrick Henry Phillips, Jr., Individually

Approved as to Form:

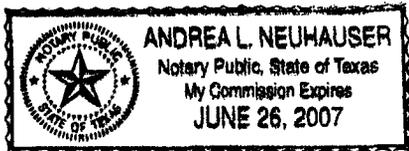
  
Micheal Northcutt  
Director  
Registration Division

  
Benette L. Zivley  
Director  
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 6<sup>th</sup> day of 2003, 2003, Top of Texas Financial Strategies, Inc. ("Respondent TTFS"), by and through Patrick Henry Phillips, Jr., its President, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Patrick Henry Phillips, Jr., is duly authorized to enter into the foregoing Order on behalf of Respondent TTFS;
2. Patrick Henry Phillips, Jr., has read the foregoing Order;
3. Respondent TTFS has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent TTFS knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
5. Respondent TTFS, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.



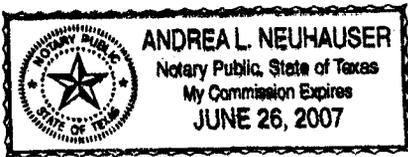
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Andrea L. Neuhauser  
Notary Public in and for  
The State of Texas  
My commission expires on: June 26, 2007

ACKNOWLEDGMENT

On the 6<sup>th</sup> day of November, 2003, Patrick Henry Phillips, Jr., ("Respondent Phillips") personally appeared before me, executed the foregoing Order, and acknowledged that:

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



[affix notary seal here]

Andrea L. Neuhauser  
Notary Public in and for  
The State of Texas  
My commission expires on: June 26, 2007