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SECURITIES COMMISSIONER

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## Texas State Securities Board

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IN THE MATTER OF  
LLOYD H. CHAPMAN  
DBA BANKERS INVESTMENT COMPANY

§  
§  
§

Order No. **ENF-05-CDO-1598**

TO: Lloyd H. Chapman  
DBA Bankers Investment Company  
1409 Brookside Drive  
Hurst, Texas 76053

### 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. 2005) ("Texas Securities Act").

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

#### FINDINGS OF FACT

1. Lloyd H. Chapman dba Bankers Investment Company ("Respondent") maintains a last known address at 1409 Brookside Drive, Hurst, Texas 76053.
2. Respondent is offering for sale, in Texas, certificates of deposit issued by and through Respondent under the name "The Cash Cow Plan," and promising a return on investment in two years of ninety-three times the amount originally invested. The minimum investment is stated to be \$1,000.
3. The certificates of deposit have not been registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
4. Respondent has not been registered with the Securities Commissioner as a dealer or agent at any time material hereto.

5. In connection with the offer for sale of the above-described certificates of deposit, Respondent is intentionally failing to disclose the following material facts:
  - a. The relevant risks of the investment; and,
  - b. The liabilities of Respondent.
6. In connection with the offer for sale of the above-described certificates of deposit, Respondent's statement, that said certificates of deposit will return ninety-three times the original investment after two years, is materially misleading or otherwise likely to deceive the public, in light of the fact that Respondent fails to disclose the relevant risks of the investment and the liabilities of Respondent.

### CONCLUSIONS OF LAW

1. The above-described certificates of deposit are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondent is violating Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondent is 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 of the Texas Securities Act.
4. Respondent is engaging in fraud in connection with the offer for sale of securities.
5. Respondent is making materially misleading statements or statements likely to deceive the public in connection with the offer for sale of securities in Texas.
6. Respondent's conduct, acts, and practices threaten immediate and irreparable public harm.
7. 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 Respondent immediately CEASE AND DESIST from offering for sale 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 Respondent immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondent is registered with

the Securities Commissioner or is acting pursuant to an exemption from registration under the Texas Securities Act.

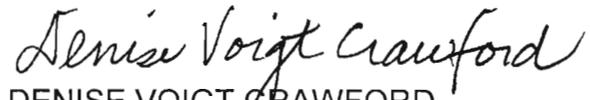
3. It is further ORDERED that Respondent immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED that Respondent immediately CEASE AND DESIST from making materially misleading statements or statements likely to deceive the public 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 \$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 22<sup>nd</sup> day of November, 2005.

  
DENISE VOIGT CRAWFORD  
Securities Commissioner