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### Texas State Securities Board

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208 E. 10th Street, 5th Floor  
Austin, Texas 78701-2407  
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IN THE MATTER OF  
JAXTRECE EXCLUSIVE  
INVESTMENTS, LLC;  
MELISSA RAMON  
AND SHANNON MCADAMS

§  
§  
§  
§  
§

Order No. ENF-07-CDO-1625

TO: JaxTrece Exclusive Investments, LLC  
1021 Main Street, Suite 1150  
Houston, Texas 77002  
and  
1900 West Loop 610 South, 9th Floor  
Houston, Texas 77027

Melissa Ramon  
4809 Bellview Street  
Bellaire, Texas 77401

Shannon McAdams  
438 West 18th Street  
Houston, Texas 77008

### 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. 2006) ("Texas Securities Act").

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

#### FINDINGS OF FACT

1. JaxTrece Exclusive Investments, LLC ("Respondent JaxTrece") maintains last known addresses of 1021 Main Street, Suite 1150, Houston, Texas 77002 and 1900 West Loop 610 South, 9th Floor, Houston, Texas 77027. Respondent JaxTrece was formed with the Texas Secretary of State on November 10, 2006.
2. Melissa Ramon ("Respondent Ramon"), a Member, Partner and the Chief Research Officer for Respondent JaxTrece, maintains a last known address of 4809 Bellview Street, Bellaire, Texas 77401.

3. Shannon McAdams ("Respondent McAdams"), a purported consultant for Respondent JaxTrece, maintains a last known address of 438 West 18th Street, Houston, Texas 77008.
4. Respondents JaxTrece, Ramon and McAdams (collectively "Respondents") purport to be in the business of securing assets for nonprofit organizations by providing bridge loans based on a particular grant and/or proposal for federal, state and/or private funding sought by the nonprofit. Once the nonprofit is awarded funding based on the grant and/or proposal, Respondent JaxTrece is reportedly repaid the principal constituting the bridge loan plus interest. Respondents are offering the JaxTrece Exclusive Investment opportunity to Texas investors.
5. Respondent JaxTrece investors are required to make a minimum initial investment of \$50,000 and may invest up to \$1,000,000 during the investor's probationary first year period. Investors are required to maintain their account, without withdrawal, for one year from the initial investment deposit and can generally realize greater returns if the investor chooses a 5 or 10 year investment time period. Early withdrawal penalties are significant, for example, an investor requesting an early withdrawal from a 5 or 10 year plan will forfeit all interest and 30% of their investment principal.
6. Respondents state that investor principal is guaranteed and, therefore, only investor interest is at risk. Respondents further represent that, from 1996 through 2005, assets actually raised on an annual basis by Respondent JaxTrece ranged from \$481,000,000 to \$834,120,000 and returns on investment averaged between 21.5% and 51.3% annually.
7. Respondent Ramon states that she is the Chief Research Officer and a Partner of Respondent JaxTrece. The Chief Research Officer reportedly approves or denies each nonprofit and oversees the research team reviewing the nonprofit seeking a bridge loan. Each nonprofit that is pre-approved reportedly has at least \$50 million in combined assets. Respondents do not disclose the identities of nonprofits to which Respondent JaxTrece purportedly makes bridge loans.
8. Respondents Ramon and McAdams are Directors of the M.A.S.O.N. Scholarship Endowment Fund, a Texas nonprofit corporation.
9. In connection with the offer for sale of the above-described JaxTrece Exclusive Investment opportunity, Respondents JaxTrece and Ramon misrepresent the following relevant facts:
  - a. Respondent Ramon has been conferred a degree from Rice University;
  - b. Respondent Ramon has been conferred a Ph.D. in statistics from Rice University.

10. In connection with the offer for sale of the above-described JaxTrece Exclusive Investment opportunity, Respondents represent that investor principal is guaranteed which is materially misleading or otherwise likely to deceive the public in light of the fact that Respondents do not disclose material information relating to what funds or assets, if any, have been reserved for the purpose of effectuating the purported guarantee.
11. In connection with the offer for sale of the above-described JaxTrece Exclusive Investment opportunity, Respondents have engaged in fraud by intentionally failing to disclose the assets and liabilities and statements of earnings of Respondent JaxTrece.
12. In connection with the offer for sale of the above-described JaxTrece Exclusive Investment opportunity, Respondents have engaged in fraud by intentionally failing to disclose the compensation, fees and costs charged by Respondents, said charges being a material fact.

#### CONCLUSIONS OF LAW

1. Interests in the above-described JaxTrece Exclusive Investment opportunity are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents have made an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
3. Respondents have engaged in fraud in connection with the offer for sale of securities in Texas.
4. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
5. 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

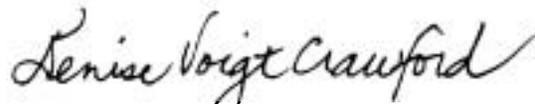
1. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud 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 26<sup>th</sup> day of February, 2007.



DENISE VOIGT CRAWFORD  
Securities Commissioner