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WILLIAM R. SMITH MEMBER

EDWARD ESCUDERO MEMBER

IN THE MATTER OF	§	Order No.	ENF-07-CDO-1634
KENNY MARKS	§		

TO: Kenny Marks

439 Essex Park Circle Franklin, TN 37069

# AGREED CEASE AND DESIST ORDER AND ORDER MODIFYING ORDER NO. ENF-07-CDO-1629

Be it remembered that Kenny Marks ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("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. 2006) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2006) ("Administrative Procedure Act").
- Respondent maintains a last known address at 439 Essex Park Circle, Franklin, TN 37069.
- 3. Respondent offered for sale in Texas the National Foundation of America Tax Deductible Installment Plan ("NFOA Installment Plan"). Respondent represented that investors could purchase the NFOA Installment Plan either with cash or by transferring title to their annuities, real estate or securities to National Foundation of America. Respondent further represented that National Foundation of America would pay investors guaranteed, fixed returns over a fixed term and

- further represented that the investment would entitle investors to tax savings pursuant to Sections 501(c)(3) and 453 of the Internal Revenue Code ("IRC").
- 4. The NFOA Installment Plan was not registered by qualification, notification or coordination and no permit was granted for its sale in Texas.
- 5. Respondent was not registered with the Securities Commissioner as a dealer or agent at any time material hereto.
- On or about May 18, 2007, the Securities Commissioner entered Emergency Cease and Desist Order No. ENF-07-CDO-1629 ("the Emergency Order") against Respondent and other parties. The Emergency Order has remained in full force and effect against Respondent from May 18, 2007, through the date of the entry of this Order.
- 7. On or about July 6, 2007, Respondent filed a request for a hearing to modify or set aside the Emergency Order.
- 8. By executing this Order, and upon the entry of this Order by the Securities Commissioner, Respondent agrees that his request for a hearing on the Emergency Order is withdrawn and not subject to appeal.

#### CONCLUSIONS OF LAW

- 1. The above-described NFOA Installment Plan is a "security" as that term is defined by Section 4.A of the Texas Securities Act.
- 2. Respondent violated Section 7 of the Texas Securities Act by offering for sale securities in Texas at a time when the securities were not registered with the Securities Commissioner.
- 3. Respondent violated Section 12 of the Texas Securities Act by offering for sale securities in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
- 4. The foregoing violations constitute bases for the issuance of an Agreed Cease and Desist Order pursuant to Section 23.A 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 a securities dealer or agent in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from registration under the Texas Securities Act.

It is further ORDERED that the Emergency Order is modified by this Order solely and exclusively as the Emergency Order relates to Respondent.

> DENISE VOIGT CRAWFORD Securities Commissioner

Series Voigt Crawford

Respondent:

Kenny Marks

Approved as to Form:

Joseph Rotunda

Director

Enforcement Division

Stephanie Tourk Enforcement Attorney Enforcement Division

### ACKNOWLEDGMENT

On the \_\_\_\_\_ day of July, 2007, Kenny Marks ("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;
- Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- **4.** Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.

Notary Publican and for the

State of Tennessee

My commission expires on: //-/3 -2010

[affix notary seal here]