

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

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Texas State Securities Board

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IN THE MATTER OF THE
AGENT REGISTRATION OF
JOHN FRANK LOPEZ

§
§
§

ORDER NO. IC04-SUS-13

TO: John Frank Lopez (CRD # 4409741)
SAMCO Financial Services, Inc.
3225 N. Central Ave., Suite 102
Phoenix, AZ 85012

DISCIPLINARY ORDER REPRIMANDING AND SUSPENDING AN AGENT

Be it remembered that John Frank Lopez ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and Undertaking 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. 2004) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. §2001.001 et seq. (Vernon 2000 & Supp. 2004) ("Administrative Procedure Act").
2. On or about May 12, 2004, Respondent filed an application for registration with the Securities Commissioner as an agent of SAMCO Financial Services, Inc., which is currently pending.
3. From on or about November 9, 2001 to on or about October 14, 2002, Respondent was registered with the Securities Commissioner as an agent of Capital Brokerage Corporation ("Capital"), a registered securities dealer.
4. Respondent offered for sale and sold units in a coin-operated, customer-owned telephone program in the State of Texas.

5. The units in the coin-operated, customer-owned telephone program were not registered with the Securities Commissioner by qualification, notification or coordination and no permit was granted by the Securities Commissioner for the sale of the units in the State of Texas.
6. Respondent was not registered with the Securities Commissioner as a securities dealer, agent, or investment adviser at the time when Respondent offered for sale and sold the units in the coin-operated, customer-owned telephone program.
7. Respondent did not disclose his sale of the units in the coin-operated, customer-owned telephone program as prior business activity and/or employment on his Uniform Application for Securities Industry Registration or Transfer ("Form U-4") as required by the Form U-4.
8. On or about October 1, 2001 and pursuant to Section 115.2(a) of the Rules and Regulations of the Texas State Securities Board ("Board Rules"), Respondent filed a Form U-4 with the Securities Commissioner in connection with Respondent's application to become registered with the Securities Commissioner as an agent of Capital. The information listed on the Form U-4 is deemed necessary by the Securities Commissioner to determine an agent's business repute or qualifications.

Pursuant to Sections 101.2(c) and 133.33(a) of the Board Rules, certain forms required to be filed with the Securities Commissioner, including the Form U-4, have been adopted as Board Rules.
9. Respondent has cooperated with the Staff in its investigation of this matter.

UNDERTAKING

1. Respondent hereby undertakes and agrees to cooperate with any investigation by the Inspections & Compliance and Enforcement Divisions of the Texas State Securities Board or any other law enforcement agency relating to any employer who has engaged in the offer and/or sale of units in the coin-operated, customer-owned telephone program, including, but not limited to, providing information or documents and testifying in any civil, administrative or criminal proceeding brought by this Agency or any other law enforcement entity or self-regulatory organization.
2. Respondent further undertakes and agrees to not engage in any investment-related business activity without being properly registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act. In the event Respondent believes such activity is exempt from registration under Section 5 of the Texas Securities Act, Respondent will not engage in such activity without first obtaining approval from his dealer.
3. Respondent further undertakes and agrees to not engage in any outside business activity without receiving written approval from his dealer prior to engaging in such activity.

4. Respondent further undertakes and agrees to immediately file an amended Form U-4 disclosing his past employment with Communications Marketing Associates, Inc. and ETS Payphones, Inc.

CONCLUSIONS OF LAW

1. The units in the coin-operated, customer-owned telephone program are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondent violated Section 12 of the Texas Securities Act by selling the above-described securities at a time when Respondent was not registered with the Securities Commissioner.
3. Respondent violated Section 7 of the Texas Securities Act by engaging in the offer and sale of the above-described securities at a time when the securities were not registered with the Securities Commissioner.
4. Respondent's failure to disclose required information on Respondent's Form U-4 filed with the Securities Commissioner constitutes a material misrepresentation to the Securities Commissioner in connection with information deemed necessary by the Securities Commissioner to determine Respondent's business repute or qualifications.
5. Pursuant to Sections 14.A(6) and 14.A(7) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding and suspending an agent.

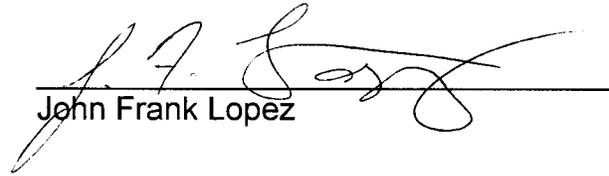
ORDER

1. It is therefore ORDERED that the registration of John Frank Lopez as an agent of SAMCO Financial Services, Inc. is hereby GRANTED.
2. It is further ORDERED that John Frank Lopez is hereby REPRIMANDED.
2. It is further ORDERED that the registration of John Frank Lopez is SUSPENDED from soliciting, accepting, or opening any new client accounts for thirty (30) business days from the date this Order is signed by the Securities Commissioner.
3. It is further ORDERED that John Frank Lopez COMPLY with the terms of the Undertaking contained herein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 30th day of July, 2004.


DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:


John Frank Lopez

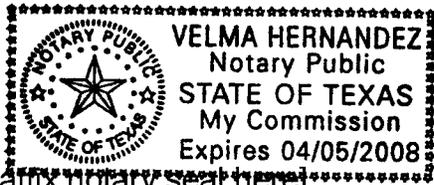
Approved as to Form:


Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 12th day of July, 2004, John Frank Lopez ("Respondent") appeared before me, executed the foregoing Order and Undertaking, and acknowledged that:

1. Respondent has read the foregoing Order and Undertaking;
2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking 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.



[affix notary seal here]

Velma Hernandez
Notary Public in and for
the State of Texas

My commission expires on: 4-5-2008