

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

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DEPUTY SECURITIES COMMISSIONER

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Texas State Securities Board

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IN THE MATTER OF
THE DEALER REGISTRATION OF
M&W FINANCIAL, INC.

§
§
§

Order No. IC07-CEN-24

TO: Ricky D. Mullins, CEO
M&W Financial, Inc. (CRD No. 131743)
140 South Village Center Drive
Southlake, TX 76092

DISCIPLINARY ORDER

Be it remembered that M&W Financial, Inc. ("Respondent"), by and through Ricky D. Mullins, its CEO, 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. 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 the Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2007) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2007) ("Administrative Procedure Act").
2. On or about August 17, 2004, Respondent registered with the Securities Commissioner as a securities dealer limited to the sale of interests in direct participation programs. This registration is currently effective.
3. On or about April 17, 2007, two of Respondent's officers and registered agents (the "Agents") caused hundreds of mailings (the "Mailings") to be sent to securities regulators across the United States, including the Securities Commissioner and several staff members of the Texas State Securities Board.

4. The Mailings were drafted and/or assembled to create the appearance that an officer or employee of an entity named Vista Resources, LLC ("Vista") had made the Mailings. In this regard, the Mailings contained various investment-related documents that referenced Vista, but not Respondent.
5. Respondent and the Agents were not affiliates or employees of Vista. Furthermore, neither Vista nor any of its officers or employees authorized Respondent or the Agents to cause the delivery of the Mailings.
6. After making the Mailings, one of the Agents sought and obtained reimbursement from Respondent for the cost of the Mailings.
7. Respondent approved the request for reimbursement because Respondent believed that the cost of the Mailings was attributable to the mailing of sales literature related to Respondent's business activity. Respondent did not take any steps to review the Mailings and ensure that the material within the Mailings complied with Respondent's written supervisory policies and procedures.
8. Respondent's written supervisory procedures do not require that sales literature utilized by Respondent and/or its agents be pre-approved by a designated principal.
9. Respondent's written supervisory procedures require that all sales literature be maintained for a period of three years after being used, and in an easily accessible manner during the first two years.
10. Section 115.10(b)(1) of the Rules and Regulations of the Texas State Securities Board (the "Board Rules") requires that each dealer shall establish, maintain, and enforce written procedures to supervise the activities of its agents that are reasonably designed to achieve compliance with the Texas Securities Act and Board Rules.

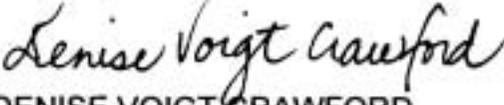
CONCLUSIONS OF LAW

1. Respondent's lack of written procedures requiring pre-approval, by a designated principal, of all sales literature used by Respondent and/or its agents constitutes a failure to establish written procedures that are reasonably designed to achieve compliance by Respondent's agents with the Texas Securities Act and Board Rules, and therefore, is a violation of §115.10(b)(1) of the Board Rules.
2. Respondent's failure to attempt to maintain the material within the Mailings despite an indication that the Agents were mailing sales literature constitutes a failure to enforce Respondent's written supervisory procedures, and is a violation of §115.10(b)(1) of the Board Rules.
3. Respondent's violations of § 115.10(b)(1) of the Board Rules are bases for the assessment of an administrative fine against Respondent pursuant to Section 23-1 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that M&W Financial, Inc. is hereby REPRIMANDED.
2. It is furthermore ORDERED that M&W Financial, Inc. is hereby assessed AN ADMINISTRATIVE FINE in the amount of Sixty Five Thousand Dollars (\$65,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Sixty Five Thousand Dollars (\$65,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 20th
day of November, 2007.


DENISE VOIGT CRAWFORD
Securities Commissioner

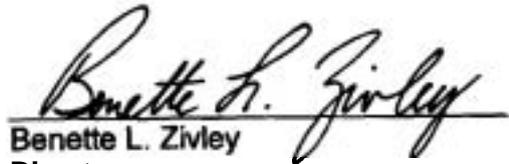
Respondent:

M&W Financial, Inc.



By: Ricky D. Mullins, CEO

Approved as to Form:



Benette L. Zivley
Director
Inspections and Compliance Division



David Reese Houston
Attorney for Respondent



Ronak V. Patel
Attorney
Inspections and Compliance Division

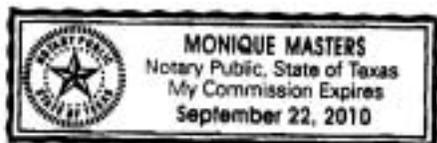


Chris R. Richie
Attorney for Respondent

ACKNOWLEDGMENT

On the 15th day of November, 2007, M&W Financial, Inc. ("Respondent"), by and through Ricky D. Mullins, its CEO, personally appeared before me, executed the foregoing Order, and acknowledged that:

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



[affix notary seal here]

Monique Masters
Notary Public in and for
the State of Texas

My commission expires on: 9-22-2010