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Texas State Securities Board

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IN THE MATTER OF
THE INVESTMENT ADVISER
REGISTRATION OF
WARNER FINANCIAL GROUP, INC.
AND THE INVESTMENT ADVISER
REPRESENTATIVE REGISTRATION OF
MARK TAYLOR WARNER

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Order No. IC13 – CAF - 03

TO: Mark Taylor Warner
Warner Financial Group, Inc. (CRD No. 115882)
5208 Tennyson Pkwy, #140
Plano, TX 75024

Mark Taylor Warner (CRD No.833418)
5208 Tennyson Pkwy, #140
Plano, TX 75024

DISCIPLINARY ORDER

Be it remembered that Warner Financial Group, Inc. ("Respondent WFG"), by and through Mark Taylor Warner, its President, and Mark Taylor Warner ("Respondent Warner")(collectively, "Respondents") 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. Respondents have waived (a) Respondents' rights to notice and hearing in this matter; (b) Respondents' rights to appear and present evidence in this matter; (c) Respondents' rights to appeal this Order; and (d) all other procedural rights granted to the Respondents by The Securities Act, Tex. Rev. Civ. Stat. Ann. art. 581-1 et seq. (West 2010 and Supp. 2012)("Texas Securities Act"), and the Administrative Procedure Act, Tex. Gov't Code Ann. § 2001.001 et seq. (West 2010 & Supp. 2012)("Administrative Procedure Act").
2. On or about January 30, 2012, Respondent WFG registered with the Securities Commissioner as an investment adviser. This registration is currently effective.

3. On or about January 30, 2012, Respondent Warner registered with the Securities Commissioner as an investment adviser representative of Respondent WFG. This registration is currently effective.
4. In or about December 2008 Respondents sold interests in a limited liability company, PAD 3, LLC ("PAD 3"), to nine (9) investors for a total amount of \$170,000.
5. PAD 3 was formed for the purpose of investing in the Paddock Three Well Joint Venture to participate in the acquisition of working interests in certain oil and gas wells targeting the Barnett Shale formation in Texas.
6. In connection with the sales of interests in PAD 3, Respondent WFG received ten (10) percent of the capital invested in PAD 3 as commissions. In total, Respondent WFG collected \$17,000 in commissions.
7. Respondent WFG was not registered as a dealer with the Securities Commissioner and Respondent Warner was not registered with the Securities Commissioner as an agent of Respondent WFG at the time Respondents sold interests in PAD 3.

CONCLUSIONS OF LAW

1. The PAD 3 interests constitute "securities" as the term "securities" is defined by Section 4.A of the Texas Securities Act.
2. Respondent WFG's sales of interests in PAD 3 at a time when Respondent WFG was not registered as a dealer with the Securities Commissioner constitute violations of Section 12.A of the Texas Securities Act.
3. Respondent Warner's sales of interests in PAD 3, on behalf of Respondent WFG, at a time when Respondent Warner was not registered with the Securities Commissioner as an agent of Respondent WFG constitute violations of Section 12.A of the Texas Securities Act.
4. Pursuant to Section 14.A(6) of the Texas Securities Act, Respondents' violations of Section 12.A of the Texas Securities Act constitute bases for the issuance of an order reprimanding Respondents'.
5. Pursuant to Section 23-1 of the Texas Securities Act, Respondent WFG's violations of Section 12.A of the Texas Securities Act constitute bases for the issuance of an order assessing an administrative fine against Respondent WFG.

ORDER

1. It is hereby ORDERED that Warner Financial Group, Inc. and Mark Taylor Warner are hereby REPRIMANDED.
2. It is further ORDERED that Warner Financial Group, Inc. is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment shall be made by delivery of a cashier's check to the Securities

Commissioner in the amount of Five Thousand Dollars (\$5,000), payable to the State of Texas, contemporaneously with the delivery of this Order.

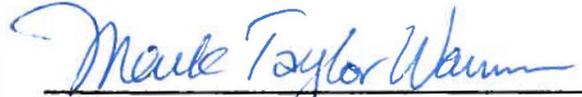
SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 25th day of February, 2013.



JOHN MORGAN
Securities Commissioner

Respondents:

Warner Financial Group, Inc.


By: Mark Taylor Warner, President


Mark Taylor Warner, Individually

Approved as to Form:

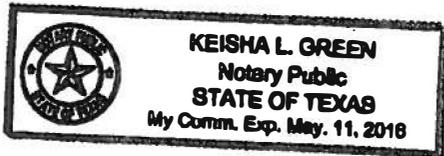

Ronak V. Patel
Deputy Securities Commissioner


Clinton T. Edgar
Attorney
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 15 day of February, 2013, Warner Financial Group, Inc ("Respondent WFG"), by and through its President, Mark Taylor Warner, appeared before me, executed the foregoing Order, and acknowledged that:

1. Mark Taylor Warner is duly authorized to enter into the foregoing Order on behalf of Respondent WFG;
2. Mark Taylor Warner has read the foregoing Order;
3. Respondent WFG has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent WFG 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 WFG, by consenting to the entry of the foregoing, has knowingly and voluntarily waived its rights as set forth therein.



[affix notary seal here]

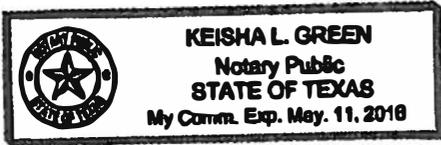
Keisha L. Green
Notary Public in and for
the State of TX

My commission expires on: May 11, 2016

ACKNOWLEDGMENT

On the 15 day of February, 2013, Mark Taylor Warner ("Respondent Warner") personally appeared before me, executed the foregoing Order, and acknowledged that:

- 6. Respondent Warner has read the foregoing Order;
- 7. Respondent Warner has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 8. Respondent Warner knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- 9. Respondent Warner, by consenting to the entry of the foregoing, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Keisha L Green
Notary Public in and for
the State of TX

My commission expires on: May 11, 2018