

DENISE VOIGT CRAWFORD  
SECURITIES COMMISSIONER



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## Texas State Securities Board

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DERRICK MITCHELL  
MEMBER

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MEMBER

IN THE MATTER OF §  
THE AGENT REGISTRATION OF §  
JOHN MICHAEL CURRAN AND §  
THE DEALER REGISTRATION OF §  
EDI FINANCIAL, INC. §

Order No. IC08-SUS-11

TO: John Michael Curran (CRD No. 1576877)  
EDI Financial, Inc.  
12221 Merit Drive, Suite 1020  
Dallas, TX 75251

Martin W. Prinz, President  
EDI Financial, Inc. (CRD No. 15699)  
12221 Merit Drive, Suite 1020  
Dallas, TX 75251

### DISCIPLINARY ORDER

Be it remembered that John Michael Curran ("Respondent Curran"), individually, and EDI Financial, Inc. ("Respondent EDI"), by and through Martin W. Prinz, its President, (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 the Conclusions of Law contained herein.

### FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to notice and hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CRV. 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 October 16, 1984, Respondent EDI registered with the Securities Commissioner as a dealer, which is currently effective.

3. On or about September 21, 2004, Respondent Curran registered with the Securities Commissioner as an agent of Respondent EDI, which is currently effective.
4. On or about September 15, 2004, in an Undertaking Filed with the Securities Commissioner of Texas ("2004 Undertaking"), Respondents undertook and agreed as follows:
  - (a) "2. Applicant and EDI undertake and agree that Applicant will not act in any supervisory capacity and will be directly supervised by a principal of EDI who is not subject to any statutory disqualification."
  - (b) "3. Applicant and EDI further undertake and agree that Applicant will not act as a principal of EDI."
5. During the period from on or about October 4, 2004 to on or about November 12, 2004, Respondent Curran acted in the supervisory capacity of Senior and Compliance Registered Option Principal for Respondent EDI.
6. Pursuant to Section 14.A(11) of the Texas Securities Act, the Securities Commissioner may suspend a registration issued under the Texas Securities Act and may reprimand a person registered under the Texas Securities Act, if the person has violated any provisions of any undertaking or agreement with the Commissioner.

#### CONCLUSIONS OF LAW

1. Respondent Curran acted in a supervisory capacity and was not directly supervised by a principal of Respondent EDI in violation of the 2004 Undertaking.
2. Respondent Curran acted as a principal of EDI in violation of the 2004 Undertaking.
3. Pursuant to Section 14.A(11) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order suspending the registrations of a dealer and/or agent and for reprimanding a registered dealer and a registered agent.

ORDER

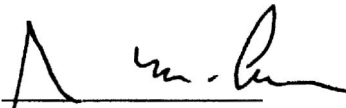
1. It is therefore ORDERED that John Michael Curran and EDI Financial, Inc. are hereby REPRIMANDED.
2. It is further ORDERED that the agent registration of John Michael Curran is hereby SUSPENDED for a period of SEVEN (7) business days from the date this Order is entered by the Securities Commissioner. In the event the agent registration of John Michael Curran is terminated before the end of this period, the suspension period will be tolled from the date that the registration was terminated to the date when the registration of John Michael Curran is again effective.
3. It is further ORDERED that EDI Financial, Inc. is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Seventeen Thousand Five Hundred Dollars (\$17,500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Seventeen Thousand Five Hundred Dollars (\$17,500.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 25<sup>th</sup>  
day of August, 2008

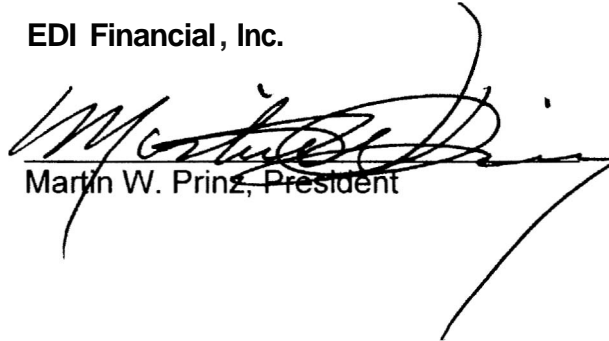
*Denise Voigt Crawford*

DENISE VOIGT CRAWFORD  
Securities Commissioner

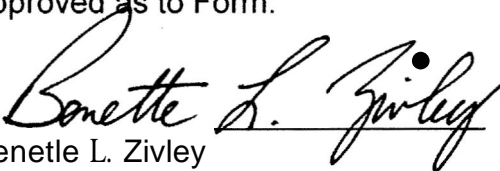
**Respondents:**

  
John Michael Curran

**EDI Financial, Inc.**

  
Martin W. Prinz, President

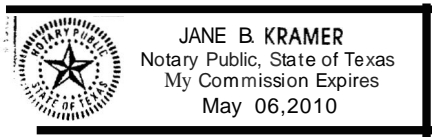
Approved as to Form:

  
Benette L. Zivley  
**Director**  
**Inspections and Compliance Division**

**ACKNOWLEDGMENT**

On the 21 day of August, 2008, John Michael Curran ("Respondent Curran") personally appeared before me, executed the foregoing Order, and acknowledged that

1. Respondent Curran has read the foregoing Order;
2. Respondent Curran has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Curran 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 Curran, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



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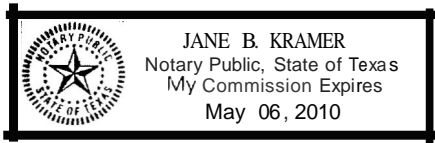
Jane B. Kramer  
Notary Public in and for  
The State of Texas

My commission expires on: May 6, 2010

**ACKNOWLEDGMENT**

On the 21 day of August, 2008, EDI Financial, Inc. ("Respondent EDI"), by and through Martin W. Prinz, its President, appeared before me, executed the foregoing Order, and acknowledged that:

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



[affix notary seal here]

Jane B. Kramer  
Notary Public in and for  
The State of Texas

My commission expires on: May 6, 2010