

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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MEMBER

SOAH DOCKET NO. 312-09-0557
SSB DOCKET NO. 08-IC05

IN THE MATTER OF §
THE DEALER REGISTRATION OF § Order No. IC08-REV-18
FOX & COMPANY INVESTMENTS, INC. §

TO: Mary L. Wade, President
Fox & Company Investments, Inc. (CRD No. 18517)
5080 North 40th Street, Suite 103
Phoenix, AZ 85018

CONSENT REVOCATION ORDER

Be it remembered that Fox & Company Investments, Inc. ("Respondent"), by and through Mary L. Wade, its President, 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

- 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. 2008)("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2008)("Administrative Procedure Act").
- On or about August 13, 1991, Respondent registered with the Securities Commissioner as a securities dealer. This registration is currently effective.

Violation of an Undertaking

- On or about January 28, 1997, and as a condition of the Securities Commissioner approving the registration application of an agent of Respondent (the "Agent"), Respondent entered into an agreement, or "Undertaking", with the Securities Commissioner.

4. The Undertaking listed specific restrictions on the Agent's activities, including an agreement by the Respondent that the Agent would "not act in any supervisory capacity".
5. From December 2005 to October 2006, Respondent permitted the Agent to act in a supervisory capacity for Respondent as the Branch Manager at one of Respondent's Texas branch offices. This conduct was in violation of a provision of Respondent's Undertaking with the Securities Commissioner.
6. Pursuant to Section 14.A(11) of the Texas Securities Act, the Securities Commissioner may deny, revoke, or suspend a registration issued under the Texas Securities Act, or reprimand a person registered under the Texas Securities Act if the person has violated any provision of any undertaking or agreement with the Securities Commissioner.

Failure to Establish, Maintain, and Enforce a Reasonable Supervisory System

7. From on or about April 28, 2003 to on or about October 22, 2003, Respondent's agents engaged in the sale of notes (the "Notes") to Texas investors on behalf of an entity named Ticker Marketing, Inc. (a/k/a DealUpdate.com or Ticker Technology)("Ticker")
8. The agents that sold the Notes worked at Respondent's branch office located in Carrollton, Texas (the "Branch").
9. Respondent's written supervisory procedures effective during 2003 stated that "No product may be solicited or sold until the product has been accepted by the Due Diligence Officer and a signed selling agreement has been submitted by [Respondent] to the wholesaler."
10. Respondent did not enforce this requirement because the agents of Respondent at the Branch began to sell the Notes before Respondent's Due Diligence Officer conducted any due diligence review of Ticker.
11. Respondent relied on the Branch Manager of the Branch to approve the sale of the Notes to Texas investors despite the fact that Respondent's written supervisory procedures effective during 2003 stated that "Registered Principals in branch offices DO NOT have the authority to approve products for sale to the public." (*emphasis in original*)
12. The Notes were not publicly-traded or otherwise registered securities; therefore, Respondent treated the offering of the Notes as a "private placement". Respondent's written supervisory procedures effective during 2003 did not require that Respondent's agents document the name of each potential investor contacted in connection with a private placement offering.

13. 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.
14. The Texas investors who purchased the Notes lost their entire investment, and collectively incurred a loss of at least two hundred forty two thousand dollars (\$242,000). On or about December 31, 2004, the President of Respondent sent a memorandum to the investors in Ticker informing them that they should consider the entire investment to be a loss for tax purposes.

CONCLUSIONS OF LAW

1. Pursuant to Section 14.A(11) of the Texas Securities Act, Respondent's violation of the terms of Respondent's Undertaking with the Securities Commissioner constitutes a basis for the suspension and revocation of Respondent's registration with the Securities Commissioner.
2. Respondent's failure to enforce its procedural requirement that a product can not be sold until it is first accepted by the Due Diligence Officer constitutes a failure to enforce a written supervisory procedure, and is a violation of §115.10(b)(1) of the Board Rules.
3. Respondent's reliance on the Branch Manager of the Branch to approve the Notes for sale to the public constitutes a failure to enforce a specific written prohibition in Respondent's written procedures, and is a violation of §115.10(b)(1) of the Board Rules.
4. Respondent's failure to require that its agents document the name of each potential investor contacted in connection with a private placement offering constitutes a failure to establish written procedures reasonably designed to achieve compliance with the Texas Securities Act and Board Rules, and is a violation of §115.10(b)(1) of the Board Rules.
5. Respondent's violations of §115.10(b)(1) of the Board Rules are bases for the suspension and revocation of Respondent's registration with the Securities Commissioner pursuant to Section 14.A(6) of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Fox & Company Investments, Inc. is hereby SUSPENDED from soliciting, accepting, or opening any new client accounts for a period of one hundred twenty (120) days from the date this Order is signed by the Securities Commissioner.

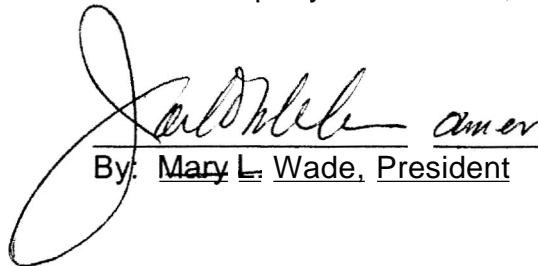
2. It is furthermore ORDERED that the dealer registration of Fox & Company Investments, Inc. shall be REVOKED on the first business day after a period of one hundred twenty (120) days from the date this Order is signed by the Securities Commissioner.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 17th
day of November, 2008.

Denise Voigt Crawford
DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:

Fox & Company Investments, Inc.




By: Mary L. Wade, President

Approved as to Form:



Benette L. Zivley
Director
Inspections and Compliance Division



Ronak V. Patel
Attorney
Inspections and Compliance Division

ACKNOWLEDGMENT *James W. Moldermaker*
Chairman and founder

On the 5th day of November, 2008, Fox & Company Investments, Inc. ("Respondent"), by and through Mary L. Wade, its ~~President~~, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. *James W. Moldermaker*
Mary L. Wade is duly authorized to enter into the foregoing Order on behalf of Respondent;
2. *James W. Moldermaker*
Mary L. Wade 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.



SUSAN TRUAX
Notary Public - Arizona
Maricopa County
Expires 05/15/2012

Susan Truax
Notary Public in and for
the State of ARIZONA

[affix notary seal here]

My commission expires on: 5-15-2012