

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF: )

CARINA TECHNOLOGY, INCORPORATED )

MAGNA VISTA GROUP, INCORPORATED )

JAY W. NEWKIRK )

PEGGY L. SAMMON )

RALPH G. PETROFF )

RESPONDENTS )

**ADMINISTRATIVE ORDER  
NO. OV 2009-0004**

**ORDER TO VACATE**

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities into, within or from the state of Alabama, has determined as follows:

**RESPONDENTS**

1. **CARINA TECHNOLOGY, INCORPORATED ("CARINA TECH")** at all times relevant to the issuance of this Order, was a Delaware Corporation with a business address of 689 Discovery Drive Northwest, Huntsville, Alabama, 35806. **CARINA TECH** claims their primary purpose is to provide automated managed business solutions to other companies.

2. **MAGNA VISTA GROUP, INCORPORATED ("MAGNA VISTA")** at all times relevant to the issuance of this Order was a Alabama Corporation providing communication services to other corporations with a business address of 5510 Panorama Drive, Huntsville, Alabama, 35801.

3. **JAY W. NEWKIRK ("NEWKIRK")** at all times relevant to the issuance of this Order was the President and Chief Executive Officer of **CARINA TECH** with a business address of 689 Discovery Drive Northwest, Huntsville, Alabama, 35806.

4. **PEGGY L. SAMMON ("SAMMON")** at all times relevant to the issuance of this Order was a board member, the initial registered agent and one of the incorporators of **MAGNA VISTA** with a business address of 5510 Panorama Drive, Huntsville, Alabama, 35801.

5. **RALPH G. PETROFF ("PETROFF")** at all times relevant to the issuance of this Order was a board member and an incorporator of **MAGNA VISTA** with a business address of 5510 Panorama Drive, Huntsville, Alabama, 35801.

#### STATEMENT OF FACTS

6. Between April 2007 and June of 2007 an Alabama resident was approached by **SAMMON** and **NEWKIRK** to purchase stock in **CARINA TECH**. While attending marketing presentations pertaining to the benefits of investing in **CARINA TECH** the Alabama resident met with **PETROFF**. It was represented by **PETROFF** that he had been charged by **CARINA TECH'S** Advisory Board with the responsibility of seeking out new investors.

7. On October 11, 2007, acting on the instructions of **SAMMON**, thirteen Alabama residents established **CARINA PARTNERS** as a limited liability corporation. **CARINA PARTNERS** then pooled investor funds and borrowed money in the name of the limited liability corporation for the purpose of purchasing stock in **CARINA TECH**. On or about November 5, 2007, **CARINA PARTNERS, LLC**. purchased 300,000 shares of **CARINA TECH** stock in the amount of \$1,500,000.00. Bank records indicate that the investor funds were sent from the **CARINA PARTNERS, LLC** bank account held at Metro Bank in Pell City, Alabama to the **CARINA TECH** bank account held at Servisfirst Bank of Birmingham, Alabama.

8. The Commission is in possession of bank records dated November 30, 2007, that appear to represent a commission payment to **MAGNA VISTA** for soliciting and obtaining the investment from **CARINA PARTNERS, LLC**.

9. In addition, the Commission is in possession of correspondence, executed by **NEWKIRK**, indicating that **CARINA TECH** notified existing shareholders of its intention to issue a new Private Placement Memorandum in November 2009 and offer additional investment opportunities by investing additional money in **CARINA TECH**.

10. A review of the Alabama Secretary of State's website on July 28, 2009, revealed that **CARINA TECH** was initially incorporated in the State of Delaware on December 18, 2003, as Automated Managed Business Solutions, with a business address of 690-A Discovery Drive, Huntsville, Alabama 35806. On February 20, 2004, a filing for Certificate of Authority of a Foreign Corporation to transact business in the State of Alabama identified Clyde Luttrell as the corporation's Sole Director and President. Research also revealed the company filed to legally change its name to **CARINA TECH, INCORPORATED** on February 20, 2004.

11. Review of the Alabama Secretary of State's website further revealed that **MAGNA VISTA** is a Madison County, Alabama corporation as of October 18, 2004. Documents on file with the Secretary of State's office identify **SAMMON** and **PETROFF** as **MAGNA VISTA'S** initial Board of Directors and incorporators and listed the nature of the business to provide communications services.

12. A review of **CARINA TECH'S** website on July 27, 2009, revealed the company identified **NEWKIRK** as the Chairman of the Board of Directors as well as its President and Chief Executive Officer. The same website also identified **PETROFF** as a member of the company's Advisory Board.

13. On July 30, 2009, a review of the Commission's registration files disclosed no record of registration, or any perfected exemption from registration, in the state of

Alabama for the securities sold to the investors by the **RESPONDENTS**.

14. On July 30, 2009, a review of the Commission's registration files disclosed no record of registration for **SAMMON** or **PETROFF** as a Dealer, Agent, Investment Advisor or Investment Advisor Representative in the state of Alabama.

15. On December 03, 2009, a review of the Commission's registration files disclosed no record of registration for **NEWKIRK** as a Dealer, Agent, Investment Advisor or Investment Advisor Representative in the state of Alabama.

16. Based on the facts provided above, the Commission issued a Cease & Desist Order (Administrative Order No. CD-2009-0004) on January 8, 2010 listing the above named respondents. The Order maintained that the Commission was in possession of bank records dated November 30, 2007, that appeared to represent a commission payment to **MAGNA VISTA** for soliciting and obtaining the investment from **CARINA PARTNERS, LLC**.

17. On January 21, 2010 an informal hearing was conducted at the offices of the Alabama Securities Commission. Representatives of **CARINA TECHNOLOGY, INCORPORATED** provided verification of their intention to file a Rule 506, Reg D exemption with the United States Securities and Exchange Commission. On January 27, 2010, a notice filing was made with the Commission pertaining to the 506 offering.

18. Furthermore, the Commission has obtained documents establishing a contractual consulting relationship between respondents **MAGNA VISTA, SAMMON** and **PETROFF** with **CARINA TECH, INCORPORATED**. These documents indicate that the expended funds paid did not represent commissions but were payments for other services.

Based upon good cause shown, the Cease and Desist Order (Administrative Order No. CD-2009-0004), is hereby vacated.

Entered at Montgomery, AL, this 30<sup>th</sup> day of March, 2010.



ALABAMA SECURITIES COMMISSION  
401 Adams Avenue, Suite 280  
Montgomery, AL 36104  
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "J. Randall McNeill", written over a horizontal line.

J. Randall McNeill  
Deputy Director