

300 International STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
)
FLORIDA CAPITAL APARTMENT) ADMINISTRATIVE ORDER
PARTNERS (JACKSONVILLE), LTD.) NO. CD-2002-00 09
FLORIDA CAPITAL SECURITIES CORP)
STEPHEN AUSTIN SELBY)
)
RESPONDENTS)

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities 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. FLORIDA CAPITAL APARTMENT PARTNERS (JACKSONVILLE), LTD. ("RESPONDENT FCAP"), is allegedly a Florida limited partnership, with a business address of 300 International Parkway, Suite 130, Heathrow, FL 32746.
2. FLORIDA CAPITAL SECURITIES CORP ("RESPONDENT FCSC") is a Florida and Alabama, et al, registered securities dealer, with a business address of 300 International Parkway, Suite 130, Heathrow, FL 32746.
3. STEPHEN AUSTIN SELBY ("RESPONDENT SELBY") is a Florida registered securities agent of RESPONDENT FCSP (**not registered in Alabama**), with a business address of 250 International Parkway, Suite 150, Heathrow, FL 32746.

STATEMENT OF FACTS

4. On May 3, 2002, an application was filed with the Commission pursuant to Rule 506 of Regulation D, on behalf of RESPONDENT FCAP. Review of the Form D disclosed that 2 sales, totaling \$40,000, had allegedly been made to 2 Alabama residents. The cover letter accompanying the application, reflects the statement "**Please be advised that the sale in the State of Alabama was made by Stephen A. Selby of Florida Capital Securities Corporation, whose information is reflected on Page 3 of Form D.**" Further, item 4a, page 4, of the Form D cites that "Sales Commissions" in the amount of \$909,000 will be an expense in connection with the issuance and distribution of the securities in the offering.

5. On May 9, 2002, a deficiency letter was dispatched to RESPONDENT FCAP for information regarding the number of offers or sales that had occurred in, or that had been made to a resident of, the state of Alabama. To be included in the response was the name and address of each purchaser, amount purchased, date purchased, the salesman for each transaction, and the commission or remuneration received either directly or indirectly by any individual for the offer or sale of the securities of the offering.

6. Review of the files of the Alabama Securities Commission disclosed no record of the registration of RESPONDENT SELBY as an agent in the state of Alabama.

CONCLUSIONS OF LAW

7. RESPONDENT SELBY, an agent of RESPONDENT FCSC, without benefit of registration as an agent in the state of Alabama, sold the securities of RESPONDENT FCAP to residents of the state of Alabama.

8. The sale of securities by an unregistered dealer or agent in the state of Alabama is a violation of Section 8-6-3(a), Code of Alabama 1975., which cites "It is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under this article. It is unlawful for any dealer or issuer to employ an agent unless the agent is registered.", and a violation of the Commission policy statement concerning Rule 506 Limited Offering Exemption filings which states "**No commission, finders fee or other remuneration shall be paid or given, directly or indirectly, to any person for soliciting any prospective purchaser in this state, unless such person is registered as a broker-dealer agent in this state pursuant to Code of Alabama 1975, Section 8-6-3.**"

9. RESPONDENT FCSC has failed to properly supervise the activities of its agent, RESPONDENT SELBY, by allowing him to sell the securities of FACP to residents of the state of Alabama without benefit of registration as an agent.

10. Failure to exercise diligent supervision over all the securities activities of associated persons is a violation of Commission Rule 830-X-3-13.

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Alabama Securities Act.

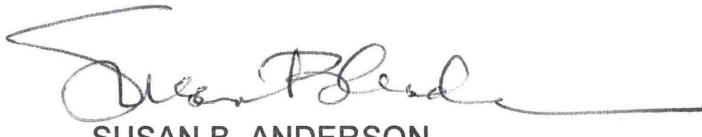
ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 16th day of May, 2002.



ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
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(334) 242-2984

BY:



SUSAN B. ANDERSON
Deputy Director