

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )  
                          )  
JACK E. CHAPMAN      )      ADMINISTRATIVE ORDER  
CHAPMAN COMMUNICATION )      NO. CD-2002-0023  
SYSTEMS, INC.        )  
                          )  
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 offer and/or sale of securities into, within, or from the State of Alabama, has determined as follows:

RESPONDENTS

1. JACK E. CHAPMAN ("RESPONDENT CHAPMAN") is the owner of Chapman Communication Systems, Inc, with a home address of 7900 Hwy 194, Williston, TN 38076. At all times relevant to violations set forth herein, RESPONDENT CHAPMAN acted as an agent of RESPONDENT CHAPMAN COMMUNICATION SYSTEMS, INC.
2. CHAPMAN COMMUNICATION SYSTEMS, INC. ("RESPONDENT CHAPMAN COMMUNICATION") is a Alabama business with an address of 1036 Commerce Boulevard, Suite A, Pelham, Alabama 35124.

## STATEMENT OF FACTS

3. The Commission is in receipt of information that RESPONDENT CHAPMAN engaged in the offer and/or sale of unregistered securities, to wit: Company Shares, of RESPONDENT CHAPMAN COMMUNICATION, to Alabama and Florida residents.

4. A review of the Registration files of the Alabama Securities Commission, disclosed no record of registration of RESPONDENTS CHAPMAN, or CHAPMAN COMMUNICATION, as a securities agent/dealer in the state of Alabama

5. A review of the files of the Alabama Securities Commission, disclosed no record of registration, or exemption from registration, of the securities of RESPONDENT CHAPMAN COMMUNICATION.

## CONCLUSIONS OF LAW

6. RESPONDENT CHAPMAN is not registered as a securities agent in the state of Alabama.

7. Transacting business in the State of Alabama as a securities agent while unregistered is a violation of § 8-6-3(a), Code of Alabama, 1975.

8. RESPONDENT CHAPMAN COMMUNICATION is not registered as a securities dealer in the State of Alabama.

9. Transacting business in the State of Alabama as a securities dealer while unregistered is a violation of § 8-6-3(a), Code of Alabama, 1975.

10. The securities of RESPONDENT CHAPMAN COMMUNICATION, being solicited for sale by RESPONDENT CHAPMAN, as set forth in paragraph 5, above, are not registered, or exempt from registration in the state of Alabama.

11. The sale or attempted sale of unregistered, non-exempt securities into, within, or from the state of Alabama is a violation of § 8-6-4, Code of Alabama, 1975.

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 consistent with the purpose of the Alabama Securities Act.

ACCORDINGLY, IT IS HEREBY ORDERED that, RESPONDENTS CHAPMAN and CHAPMAN COMMUNICATION, 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 30 day of October, 2002.



ALABAMA SECURITIES COMMISSION  
770 Washington Street, Suite 570  
Montgomery, Alabama 36130-4700  
BY:

JOSEPH P. BORG  
Director

NDW/ndw