STATE OF ALABAMA ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
MERCHANT'S COMMERCE SOLUTION, INC. GUERRY LAMAR REESE PHEOBE M. REESE	, .	ADMINISTRATIVE ORDER NO. CD-2006-0034
RESPONDENTS	ۮ	

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 ("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. MERCHANT'S COMMERCE SOULUTION, INC. ("MERCHANT'S") is a Georgia company, with a business address of 2422 Doubletree Drive, Acworth, Georgia 30102.
- 2. GUERRY LAMAR REESE ("G. REESE") is the Chief Executive Officer and President of MERCHANT'S, with a personal address of 214 Hickory Lane, Prattville, Alabama 360666, and a business address of 2422 Doubletree Drive, Acworth, Georgia 30102.
- 3. PHOEBE M. REESE ("P. REESE") is the Corporate Secretary of MERCHANT'S, with a business address of 2422 Doubletree Drive, Acworth, Georgia 30102.

STATEMENT OF FACTS

- 4. Information made available to the Commission indicates that in July and August of 2004, G. REESE offered and sold shares of common stock in MERCHANT'S to an investor residing in the state of Alabama.
- 5. MERCHANT'S is incorporated in the state of Georgia. The incorporation documents filed with the Georgia Secretary of State's Office lists P. REESE as the Secretary of the corporation.
- 6. A review of the files of the Alabama Securities Commission Registration Division disclosed no record of registration, or exemption from registration for G. REESE, P. REESE, or MERCHANT'S as a Securities Agent or Dealer in the state of Alabama.
- A review of the files of the Alabama Securities Commission Registration
 Division disclosed no record of registration, or exemption from registration, for the common stock issued by MERCHANT'S.

CONCLUSIONS OF LAW

- 8. G. REESE, P. REESE, nor MERCHANT'S are registered, or exempt from registration as a Dealer or Agent in the state of Alabama. 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.
- 9. The shares of corporate stock in MERCHANT'S are neither registered, nor exempt from registration in the state of Alabama. The sale of unregistered securities, in the state of Alabama is a violation of Section 8-6-4, <u>Code of Alabama 1975</u>.

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

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

ALABAMA SECURITIES COMMISSION 770 Washington Avenue, Suite 570 Montgomery, AL 36130-4700

(334) 242-2984

JOSEPH P. BORG

Director