

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

LYSLE JOHN FLEMING JR.

RESPONDENT

ADMINISTRATIVE ORDER
NO. CD-2007-0002

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having 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:

RESPONDENT

1. LYSLE JOHN FLEMING JR. ("Fleming"), has a residential address of 2004 Inverness Landing, Birmingham, Alabama 35242-3819.

STATEMENT OF FACTS

2. In March of 2003, Fleming, sold investment contracts to an Alabama and Missouri resident, representing that said funds were to be invested in an off-shore investment pool managed by Fleming for the purpose of generating profits.

3. In April of 2003, Fleming, received two personal checks totaling \$7,000.00 from the Missouri resident and one personal check for \$9,900.00 from the Alabama resident. The funds were deposited into Fleming's personal account with National Bank of Commerce located in Birmingham, Alabama.

4. Subpoenaed National Bank of Commerce documents indicate that Fleming wrote, two checks, from the aforementioned account, to himself on 04/09/03 and 04/15/03 for a total of \$9,900.00.

5. In November 2006 a review of the files of the Alabama Securities Commission disclosed no record of the registration for Fleming as a Dealer, Agent, Investment Advisor, or Investment Advisor Representative in the state of Alabama.

6. In November 2006 a review of the Alabama Securities Commission files disclosed no registration or exemption from registration for the investment contracts offered and sold by FLEMING.

CONCLUSIONS OF LAW

7. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of "security" includes any investment contract. The offerings made by Fleming in paragraph 2 fall within the definition of an investment contract and are therefore securities under the Act.

8. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of "agent" includes any individual who represents an issuer in effecting sales of securities. Fleming's actions as described in paragraph 2 and 3 indicate that Fleming acted as an agent of the issuer under the Act.

9. Pursuant to Section 8-6-2(18), Code of Alabama 1975, the term "investment adviser" includes any person, who, for compensation, engages in the business of advising others as to the value of securities or as to the advisability of investing in, purchasing, or selling securities. Fleming's representations described in paragraph 2 indicate that Fleming acted as an investment adviser under the Act.

10. Pursuant to Section 8-6-3, Code of Alabama 1975, it is unlawful for any person to transact business in this state as a Dealer or Agent, Investment Advisor, or Investment Advisor Representative unless he is registered under the Act. Fleming is

not registered as a Dealer, Agent, Investment Advisor, or Investment Advisor Representative in the state of Alabama, and has effected securities transactions from the State of Alabama with a Missouri and Alabama resident.

11. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless it is registered or exempt under this Act. The offer of unregistered, non-exempt securities by Fleming, to a Missouri and Alabama resident is in violation of Section 8-6-4 of the Act.

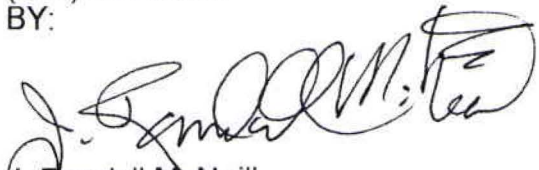
This Order does not prevent the Alabama Securities Commission from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

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 the RESPONDENT 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 29th day of January, 2007.

ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
Montgomery, AL 36130-4700
(334) 242-2984
BY:


J. Randall McNeill
Deputy Director

