

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:	)	
	)	
ATM / ELECTRONIC PAYMENT SYSTEMS, INC	)	ADMINISTRATIVE ORDER
JOSE TORRES	)	
	)	NO. CD – 2012-0001
<u>RESPONDENTS</u>	)	

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:

RESPONDENTS

1. ATM / ELECTRONIC PAYMENT SYSTEM, INC ("ATM/EPS") is a Georgia Domestic Corporation with a business address of 600 Lee Road 520, Phenix City, Alabama 36870.

2. JOSE R TORRES ("TORRES") is an Alabama resident and CEO of ATM/EPS with a residential address of 600 Lee Road 520, Phenix City, Alabama 36870. TORRES is currently not registered with the Alabama Securities Commission in any capacity.

STATEMENT OF FACTS

3. In July, 2008, TORRES approached and discussed investing in ATM/EPS with an Alabama resident. TORRES represented to the Alabama resident that ATM/EPS was in the business of leasing ATM terminals and that the company constantly needed currency to vault the machines.

4. TORRES represented to the Alabama resident that for an investment of \$25,000.00 per ATM terminal, the investor could sublease one or more terminals and would receive a monthly return of 6%.

5. On July 15, 2008, the Alabama investor withdrew \$50,000.00 in U.S. currency from a personal savings account and provided these funds to TORRES. In return, the Alabama investor received an investment contract which states, "This agreement is for the purpose of placement and vaulting 2 ATM terminals @ \$25,000.00 per terminal." The investment contract further represented that, "the Alabama resident is guaranteed 6% (\$3,000.00) monthly return on the \$50,000.00 vaulted in the terminal during this term of up to 5 years."

6. In February, 2009, TORRES approached another Alabama resident and represented that for an investment of \$25,000.00 per ATM terminal; the investor could sublease one or more terminals and would receive a monthly return of 10%.

7. On February 25, 2009, the Alabama resident provided TORRES with a cashier's checks in the amount of \$25,000.00 and received an investment contract which states, "This agreement is for the lease placement and vaulting for 1 ATM terminal @ \$25,000.00 per terminal." The investment contract further states that the Alabama resident, "is guaranteed 10% monthly return on the \$25,000.00 vaulted in the terminal during this term of 1 year."

8. On July 26, 2011, a review of the registration files maintained by the Commission revealed that neither ATM/EPS, nor TORRES are registered as a Dealer, Agent, Investment Advisor or Investment Advisor Representative for securities in the state of Alabama.

9. On July 26, 2011, a review of the registration files of the Alabama Securities Commission indicated no registration of the securities in question, to wit: the investment contracts issued by TORRES and ATM/EPS, to the Alabama residents as required by the Alabama Securities Act.

CONCLUSIONS OF LAW

10. Pursuant to Section 8-6-2(10) Code of Alabama 1975, defines a note, bond, investment contract or evidence of indebtedness as a security. The Agreement notes offered by the Respondents constitute investment contracts and therefore are considered securities as defined in the Act.

11. Pursuant to Section 8-6-2(2) Code of Alabama 1975, the definition of "Agent" includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. By soliciting and effecting sales TORRES acted as an agent of ATM/EPS while affecting the sale of unregistered securities to wit: the investment contracts issued by ATM/EPS.

12. Pursuant to Section 8-6-3(a) Code of Alabama 1975, it is unlawful for any person to transact business in the state as a dealer or agent for securities unless he is registered under the Act. As CEO of ATM/EPS, TORRES offered notes, issued by ATM/EPS, to Alabama residents without benefit of registration. TORRES made solicitations on behalf of ATM/EPS, without being registered as a Security Agent with the Commission, in violation of the Act.

13. 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 said security: (1) is registered under the Act; (2) the security is exempt from registration under section 8-6-10; or (3) the transaction is exempt under section 8-6-11. The securities offered by ATM/EPS; to wit: the investment contracts, are neither registered nor subject to exemption from registration in Alabama in violation of the 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.

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

Additionally, if the allegations set forth herein are found to be true, through administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of ALABAMA.

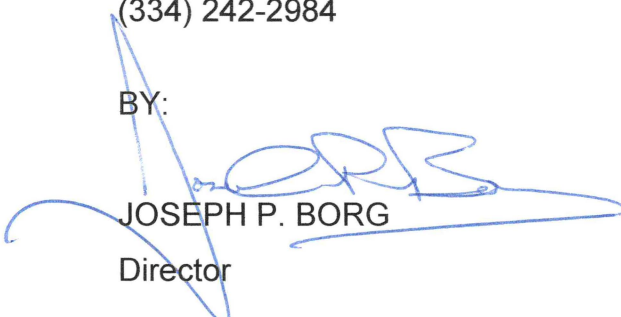
ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 5th day of January, 2012.



ALABAMA SECURITIES COMMISSION
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BY:


JOSEPH P. BORG

Director