

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

**SIDEWINDERS CORPORATION
RICHARD PRESTON DUFFIELD, JR**

**ADMINISTRATIVE ORDER
NO. CD-2015-00₀₁**

RESPONDENTS

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the 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. **SIDEWINDERS CORPORATION ("SIDEWINDERS")** is a Delaware company with a principal business address of 301 N. E. 1st Street, Summerdale, Alabama 36580.

2. **RICHARD PRESTON DUFFIELD, JR. ("DUFFIELD")** is a named Director and Secretary of **SIDEWINDERS** with a principal business address of 301 N. E. 1st Street, Summerdale, Alabama 36580.

RELATED INDIVIDUALS

3. **DON ANTHONY MISTROT ("Mistrot")**, now deceased, was at the time the relevant conduct occurred, a named Director and President of **SIDEWINDERS** with a principal business address of 301 N. E. 1st Street, Summerdale, Alabama 36580.

STATEMENT OF FACTS

4. On August 11, 2014, the Commission received information that in 2014, **RESPONDENTS** and Mistrot offered and sold shares of **SIDEWINDERS** common stock to investors in Alabama. After receiving the information, the Commission opened an investigation into the possible offer or sale of unregistered securities.

5. According to documents acquired during the course of the investigation, **SIDEWINDERS** was incorporated in Delaware on March 12, 2014, and was registered by **DUFFIELD** with the Alabama Secretary of State on June 16, 2014, as a Foreign Corporation operating in Alabama.

6. Further, a document styled "Call and Waiver of Notice of Meeting of Incorporator of Sidewinders Corp.", dated March 12, 2014, identifies Mistrot and **DUFFIELD** as "directors of the corporation."

7. According to written agreements, bank statements, and interviews with investors, **RESPONDENTS** and Mistrot sold thirty shares of stock to an Alabama investor on May 5, 2014. As evidence of the investment a stock certificate was issued, signed by **DUFFIELD** and Mistrot. Likewise, on July 4, 2014, **RESPONDENTS** and Mistrot sold twenty-two shares of common stock to a Florida investor. Documents reveal that the stock sold for \$2300 per share.

8. On October 21, 2014, the Commission conducted a search of the files and records maintained by the Registration Division of the Commission. No record of registration was found for Mistrot, **DUFFIELD**, or **SIDEWINDERS** as a broker dealer, broker dealer agent, investment advisor, or investment advisor representative in the state of Alabama.

9. On October 24, 2014, an online search of the United States Securities and Exchange Commission's EDGAR website disclosed no record of any filing by **SIDEWINDERS**.

CONCLUSIONS OF LAW

10. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes "stock". The stock issued by **SIDEWINDERS**, and signed by **DUFFIELD** and Mistrot, are securities under the Act.

11. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of an "issuer" includes every person who proposes to issue, or has issued, any security. **SIDEWINDERS**, by issuing securities, to wit: stock in **SIDEWINDERS**, is an "issuer" as defined by the Act.

12. 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. **DUFFIELD** and Mistrot (now deceased), by representing **SIDEWINDERS** in effecting the sale of a security, to wit: stock in Sidewinders, acted as agents of **SIDEWINDERS**, as defined by the Act.

13. 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. **DUFFIELD** and Mistrot (now deceased) as agents of **SIDEWINDERS** effected sales of securities without benefit of registration, in violation of the Act.

14. 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. **DUFFIELD** and Mistrot (now deceased) offered and sold securities, to wit: stock in Sidewinders, that were neither registered nor subject to a perfected exemption from registration, in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and 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 may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either 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 20th day of January, 2015.

ALABAMA SECURITIES COMMISSION
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BY:


Joseph P. Borg
Director

