

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

INTRAOP MEDICAL CORPORATION
RONALD W. MINOR

RESPONDENTS

ADMINISTRATIVE ORDER
NO. CO-2009-0032

**CONSENT ORDER ONLY AS IT PERTAINS TO
INTRAOP MEDICAL CORPORATION**

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. INTRAOP MEDICAL CORPORATION ("IOPM") engages in the manufacture, development, marketing, distribution and servicing of a mobile electron-beam cancer treatment system; and has a business address of 570 Del Ray Avenue, Sunnyvale, California 94085.

2. RONALD W. MINOR ("MINOR") is a Talladega County businessman with an address of 220 New County Line Road, Sylacauga, Alabama 35151.

STATEMENT OF FACTS

3. The Commission is in receipt of information that between October 15, 2003 and March 15, 2005 MINOR acting as a Dealer for IOPM, engaged in the offer and sale of securities to Alabama residents, to wit: shares of IOPM stocks.

4. The Commission is also in receipt of information that the following Convertible Promissory Notes were issued by IOPM to MINOR between October 15, 2003 and March 10, 2005 for approximately :

- a. On October 15, 2003 a note in the amount of \$225,000;
- b. On October 22, 2003 a note in the amount of \$251,250;
- c. On December 28, 2004 a note in the amount of \$282,500; and
- d. On March 10, 2005 a note in the amount of \$100,000.

5. In October, 2003, and continuing through December, 2004, two Alabama residents wrote checks representing an aggregate investment of \$236,250.00, for the purchase of IOPM stock through MINOR. It was represented by MINOR that the Alabama residents could purchase stocks of IOPM through him before the company stock went public. Investors' checks were made payable to MINOR, who then deposited the funds into his personal Frontier Bank account.

6. MINOR represented to the Alabama investors that they would receive their shares of stock certificates within three to five months of the investment. Investors did not receive the stock certificates for more than three years after the alleged purchase.

7. A review of the financial records of MINOR revealed that on at least five occasions between January 8, 2004 and April 13, 2005, IOPM issued checks to MINOR representing an aggregate amount of \$23,356.85. Furthermore, records disclosed that the investors never received any dividends or interest payments from MINOR.

8. A review of the registration files of the Commission disclosed no record of registration, nor a perfected exemption for the securities, to wit: promissory notes, sold to MINOR by representatives of IOPM.

9. In August 2009, the Commission staff received documentation from IOPM in response to a subpoena issued on July 8, 2009. Based on information received, it appeared that IOPM was aware of the securities transactions involving MINOR and several Alabama residents in the purchase of IOPM promissory notes convertible to stock.

10. On October 23, 2009, the Commission issued a Cease and Desist Order to the RESPONDENTS.

11. On January 14, 2010, an informal meeting was held between the Commission staff and representatives of IOPM regarding the Administrative Order No. CD-2009-0032.

12. Following the informal meeting in January 2010, IOPM has provided the Commission staff with information that indicates that IOPM had no knowledge of MINOR's solicitation of investors in the purchase of promissory notes to be converted into IOPM stock. However, the initial promissory notes issued by IOPM to MINOR were not properly registered, nor exempt, as required by the Act.

CONCLUSIONS OF LAW

13. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security unless it is registered under the Act; the security is exempt from registration pursuant to Section 8-6-10; or the transaction is exempt under Section 8-6-11. The securities, to wit: promissory notes, sold by IOPM to MINOR, which were convertible into stock, were neither registered nor subject to any perfected exemption in Alabama.

WHEREAS, IOPM admits that they sold four (4) promissory notes to one Alabama resident; IOPM admits that the information and assertions presented to the Commission during its investigation of this matter are true and correct; IOPM represents that they have disclosed all offers and/or sales of securities into, within, or from the State of Alabama; further that IOPM understands the Commission relied upon such information and assertions in its determination to accept this Order, and that should the information or assertions prove to be incorrect or misrepresented, the Commission may seek such other administrative, civil or criminal remedies that may be available to it under the provisions of the Act; and

WHEREAS, IOPM has voluntarily waived all rights to a formal hearing upon entry of this Order, and has consented to the entry of this Order; and

WHEREAS, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act; and

WHEREAS, the Commission and IOPM are desirous of settling this matter as hereafter set forth and agree to the entry of this Order.

ACCORDINGLY, IT IS HEREBY ORDERED:

1. That IOPM shall refrain from selling securities that are not properly registered under the Act, or for which an exemption has not been perfected in the state of Alabama.

2. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, IOPM shall pay to the state of Alabama an administrative assessment in the total sum of One-Thousand Dollars (\$1,000), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

3. That in accordance with Section 8-6-19(k)(1), Code of Alabama, 1975, IOPM shall pay to the Alabama Securities Commission, as partial reimbursement for the Commission's cost for investigating this matter, the sum of One-Thousand Dollars (\$1,000), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

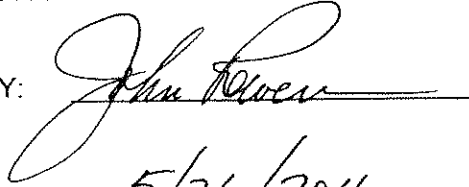
4. That the entry of this Order resolves the Cease and Desist Order, Administrative Order No. CD-2008-0032, issued October 23, 2009, as it pertains to IOPM only.

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.

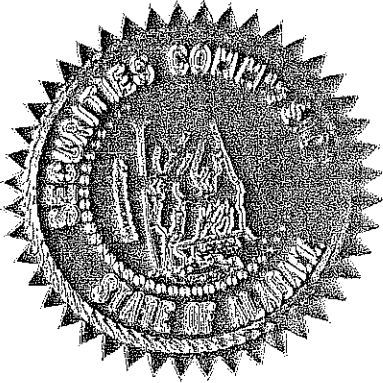
AGREED AND CONSENTED to on date indicated:

RESPONDENT
INTRAOP MEDICAL CORPORATION
PRESIDENT

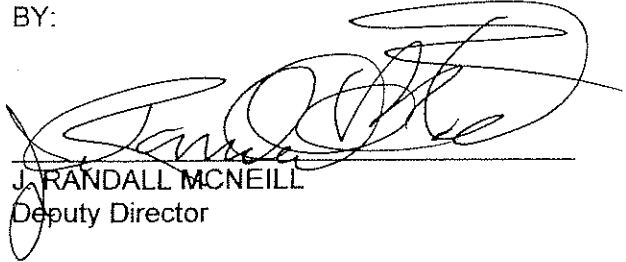
BY: 
DATE: 5/26/2011

APPROVED AND AGREED this 9th day of June, 2011

ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, AL 36104
(334) 242-2984



BY:


J. RANDALL MCNEILL
Deputy Director