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KENNETH W. ANDERSON, JR.
MEMBER

SSB Docket No. 01-03

IN THE MATTER OF
CHARLES R. MATLOCK

§
§

Order No. CDO-1416

TO: Charles R. Matlock
987 Terraha Drive
Early, Texas 76801

CEASE AND DESIST ORDER

Be it remembered that Charles R. Matlock ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and the Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2001) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2001) ("Administrative Procedure Act").
2. From February, 1998, through November, 1998, Respondent solicited individuals to invest funds with Economic Solutions and El Crucero, Inc. ("El Crucero"), companies that purported to engage in low-risk, high-return trading programs involving international banks. Investors in the Economic Solutions and El Crucero programs were told that their funds could earn returns of as much as 6% or 8% per month, at no risk to the principal. Investors in the El Crucero program were told that the principal amount of the investment would be insured.
3. Respondent approached individuals in Texas and elsewhere about the Economic Solutions and El Crucero programs and presented them with oral and written

information about the programs. In reliance on Respondent's representations, at least 39 persons invested a total of more than \$900,000 in the Economic Solutions and El Crucero programs.

4. Respondent expected to receive commissions for his efforts in introducing others to the Economic Solutions and El Crucero programs and did, in fact, receive some commissions or other remuneration for his efforts.
5. A district court in Travis County has found the Economic Solutions and El Crucero programs were fraudulent and has permanently enjoined the sale or offer for sale of both programs.
6. During October, 1998, and November, 1998, Respondent solicited individuals to invest in purportedly low-risk, high-return trading programs involving international banks through A&M Enterprises. Persons who invested through A&M Enterprises were told that their funds could earn returns of 25% or more per month, at no risk to the principal, and that the principal amount of the investment would be insured.
7. Respondent approached individuals in Texas, and elsewhere, regarding the A&M Enterprises program and presented them with oral and written information about the program. In reliance on Respondent's representations, at least 29 persons invested a total of more than \$800,000 in the A&M Enterprises program.
8. Respondent expected to receive commissions or other compensation for his efforts in introducing others to the A&M Enterprises program.
9. The Economic Solutions program, the El Crucero program, and the A&M Enterprises program offered and sold by Respondent involved the investment of money by participants with the expectation of profit to be derived through the efforts of others.
10. None of these programs were not registered with the Securities Commissioner as required by Section 7 of the Texas Securities Act.
11. Respondent offered for sale and sold said programs at a time when he was not registered with the Securities Commissioner.

CONCLUSIONS OF LAW

1. The Economic Solutions program, the El Crucero program, and the A&M Enterprises program offered by Respondent are securities, in the form of investment contracts, as defined by Section 4 of the Texas Securities Act.
2. The securities were not registered with the Securities Commissioner as required by Section 7 of the Texas Securities Act.
3. Respondent offered and sold securities at a time when he was not registered with

the Securities Commissioner as required by Section 12 of the Texas Securities Act.

4. The foregoing violations constitute bases for the issuance of a cease and desist order pursuant to Section 23.A of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondent CEASE AND DESIST from the offer and sale of unregistered securities in the State of Texas unless an exemption is available under the Texas Securities Act.
2. It is further ORDERED that Respondent CEASE AND DESIST from selling securities or offering securities for sale in the State of Texas until he is registered with the Securities Commissioner or an exemption is available under the Texas Securities Act.

SIGNED AND ENTERED by the Securities Commissioner this 5th day of February, 2001.



DENISE VOIGT CRAWFORD
Securities Commissioner

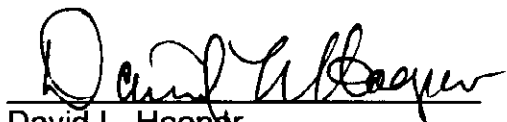
Respondent:


Charles R. Matlock

Approved as to Form:



David A. Grauer, Director
Enforcement Division

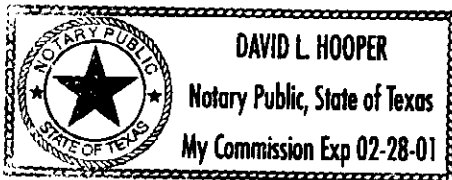


David L. Hooper
Attorney for Respondent

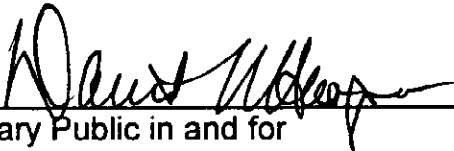
ACKNOWLEDGMENT

On the 4th day of JANUARY, 2001, Charles R. Matlock ("Respondent"), appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order; and
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]



Notary Public in and for
the State of Texas

My commission expires on: _____