

DENISE VOIGT CRAWFORD  
SECURITIES COMMISSIONER



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## State Securities Board

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KENNETH W. ANDERSON, JR.  
MEMBER

SSB Docket No. 01-18

IN THE MATTER OF  
BYRON L. GRAHAM

§  
§

Order No. CDO-1431

TO: Byron L. Graham  
203 Sycamore  
Lake Jackson, Texas 77566

### CEASE AND DESIST ORDER

Be it remembered that Byron L. Graham (hereinafter referred to as "Respondent") appeared before the Securities Commissioner of the State of Texas (hereinafter referred to as the "Securities Commissioner") and consented to the entry of this Order and Undertaking, and without admitting or denying them, the Findings of Fact and Conclusions of Law contained therein, except the first Finding of Fact which is admitted.

### 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)(hereinafter referred to as "The Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2001) (hereinafter referred to as the "Administrative Procedure Act").
2. Respondent offered for sale securities from within the State of Texas in the form of High Yield Investment Programs.
3. Respondent offered for sale said securities at a time when said securities were not registered with the Securities Commissioner as required by Section 7 of the Texas Securities Act.
4. Respondent has acted as a securities dealer at a time when not registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.

5. Respondent has cooperated with the Staff in its investigation of his unregistered activity.

#### CONCLUSIONS OF LAW

1. The High Yield Investment Program offered for sale by Respondent are securities as defined by Section 4.A of the Texas Securities Act.
2. The foregoing violations constitute bases for the issuance of a cease and desist order pursuant to Section 23.A of the Texas Securities Act.

#### UNDERTAKING

1. Respondent agrees he will deliver written notification to the Director of Enforcement of the State Securities Board of an intent to rely upon any exemption from the securities registration and/or dealer/agent registration provisions of the Texas Securities Act, in connection with the offer and/or sale of any security in and/or from the State of Texas, at least 30 days prior to the date of the first offer of any security. Such notice shall describe the securities intended to be offered, specify the specific securities registration and dealer/agent registration exemption(s) that will be relied upon, all facts supporting such assertion, the name(s) of all person(s) to be offering or selling the securities, a detailed description of the securities to be offered and/or sold in reliance upon the exemption, and the dollar amount of securities to be offered in reliance on the exemption.


#### ORDER

1. It is therefore ORDERED that Respondent CEASE AND DESIST from offering for sale and selling the securities designated in the Findings of Fact until they are registered with the Securities Commissioner or an available securities registration exemption is utilized.
2. It is further ORDERED that Respondent CEASE AND DESIST from acting as a securities dealer until he is registered with the Securities Commissioner or an available securities dealer registration exemption is utilized.
3. It is further ORDERED that Respondent COMPLY with the Undertaking.

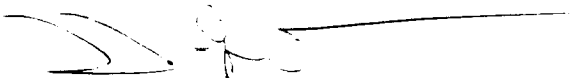
SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 5<sup>th</sup> day of June, 2001.

*Denise Voigt Crawford*  
DENISE VOIGT CRAWFORD  
Securities Commissioner

Respondent:

  
\_\_\_\_\_  
Byron L. Graham

Approved as to  
Form:


  
\_\_\_\_\_  
David Grauer  
Director  
Enforcement Division

  
\_\_\_\_\_  
Benette L. Zivley  
Attorney  
Enforcement Division

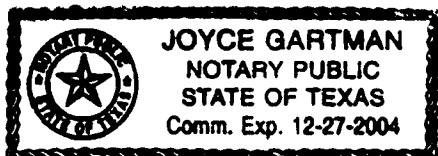
## ACKNOWLEDGMENT

On the 25<sup>th</sup> day of May, 2001, Byron L. Grahm, Respondent, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of Respondent's rights under The Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact, Conclusions of Law and Undertaking contained therein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived Respondent's rights as set forth therein.

  
\_\_\_\_\_  
Notary Public in and for  
the State of TEXAS

[affix notary seal here]



My commission expires on:  
12/27/2004