

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 CARL J. KUNASEK
Chairman
3 JIM IRVIN
Commissioner
4 WILLIAM A. MUNDELL
Commissioner
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6 In the matter of) DOCKET NO. S-03339A-99-0000
7)
8 RETIREMENT INVESTMENT GROUP) **ORDER OF REVOCATION**
1003 Wirt Road, Suite 302)
Houston, TX 77055)
9 B/D 7421) **DECISION NO.** _____
Respondent.)
_____)

11 **I.**

12 **INTRODUCTION**

13 On August 4, 1999, the Securities Division (the "Division") of the Arizona Corporation Commission
14 (the "Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order for Relief (the
15 "Notice") against RETIREMENT INVESTMENT GROUP ("RESPONDENT"), alleging violations of the
16 Arizona Securities Act (the "Act"). The Notice specified that RESPONDENT would be afforded an
17 opportunity for an administrative hearing upon written request filed with the Commission's Docket Control
18 within ten (10) days after receipt of the Notice, in accordance with A.C.C. Rule R14-4-306(B).

19 On August 6, 1999, the Division served a copy of the Notice upon RESPONDENT by certified mail,
20 return receipt requested, to RESPONDENT's last known business address as permitted by A.A.C.
21 Rule R14-4-304(C)(4). See Exhibit "A" attached hereto. RESPONDENT has failed to request an
22 administrative hearing ten (10) days after receipt of the Notice.

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26 **II.**

FINDINGS OF FACT

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2 1. RETIREMENT INVESTMENT GROUP (“RETIREMENT”), whose last known address is
3 1003 Wirt Road, Suite 302, Houston, TX 77055, is a registered dealer in Arizona.

4 2. On or about February 2, 1999, the Securities and Exchange Commission (the “SEC”)
5 revoked the registration of RETIREMENT and required RETIREMENT to pay civil penalties, after finding
6 that RETIREMENT failed reasonably to supervise Gail G. Griseuk, a registered representative.

7 3. In upholding the order of an administrative law judge, the SEC found that James Harvey
8 Thornton, RETIREMENT’s President and responsible officer, failed to review Griseuk’s customer accounts
9 pursuant to RETIREMENT’s internal supervisory procedures. Griseuk violated the anti-fraud provisions of
10 the securities statutes in connection with the purchase and sale of approximately \$325,000 of limited
11 partnership interests in 1991. “Many, if not all, of Griseuk’s customers were elderly persons on fixed
12 incomes. She invested their money in risky and illiquid partnership interests. Had Thornton performed the
13 rudimentary supervisory duty of reviewing Griseuk’s customer accounts, the lack of suitability of these
14 investments would have been clear.”

15 4. On April 1, 1999, RETIREMENT filed a request to withdraw dealer registration in Arizona.
16 Said request was not granted and this action was filed to revoke said registration.

17 **III.**

18 **CONCLUSIONS OF LAW**

19 1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona
20 Constitution and A.R.S. § 44-1801 *et seq.*, the Arizona Securities Act (the “Act”).

21 2. On August 5, 1999, and on August 10, 1999, the Division properly served the Notice on
22 RESPONDENT in accordance with A.R.S. § 44-1972(D), A.A.C. Rules R14-4-304 and R14-4-306.

23 3. RESPONDENT failed to request a hearing within the time limits prescribed in A.R.S. § 44-
24 1972(D) and A.A.C. Rule R14-4-306.

25 4. RETIREMENT’s conduct constitutes grounds for the revocation of RETIREMENT’s
26 registration as a securities dealer with the Commission pursuant to A.R.S. §§ 44-1961(A)(10) on the grounds

1 that RETIREMENT is subject to an order of the SEC revoking registration as a broker or dealer in securities
2 under the Securities Exchange Act of 1934.

3 **IV.**

4 **ORDER**

5 THEREFORE, on the basis of the foregoing Findings of Fact and Conclusions of Law, the following
6 Order is appropriate, in the public interest, and necessary for the protection of investors:

7 IT IS ORDERED, pursuant to A.R.S. § 44-1961, that RESPONDENT's registration as a securities
8 dealer is revoked.

9 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

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CHAIRMAN

COMMISSIONER

COMMISSIONER

14 IN WITNESS WHEREOF, I, Brian C. McNeil, Executive
15 Secretary of the Arizona Corporation Commission, have hereunto
16 set my hand and caused the official seal of the Commission to be
affixed at the Capitol, in the City of Phoenix, this ____ day of
_____, 1999.

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19 _____
20 BRIAN C. McNEIL
Executive Secretary

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23 _____
24 DISSENT
(PTJ)