

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

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3 CARL J. KUNASEK
Chairman
4 JIM IRVIN
Commissioner
5 WILLIAM A. MUNDELL
Commissioner
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7 In the matter of)
8) DOCKET NO. S-03434A-00-0000
9 MARIE LYNN SYCHOWSKI)
7631 W. Villa Rita Drive) DECISION NO. _____
Glendale, Arizona 85308)
10 CRD # 2437628) **ORDER TO CEASE AND DESIST,**
Respondent.) **ORDER FOR ADMINISTRATIVE**
11) **PENALTIES AND CONSENT TO**
_____) **SAME**

12 MARIE LYNN SYCHOWSKI (“SYCHOWSKI”) elects to permanently waive her right
13 to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-
14 1801, *et seq.* (“Securities Act”) with respect to this Order to Cease and Desist, Order for
15 Administrative Penalties and Consent to Same (“Order”). SYCHOWSKI admits the jurisdiction
16 of the Arizona Corporation Commission (“Commission”); admits only for purposes of this
17 proceeding and any other administrative proceeding before the Commission or any other agency
18 of this State, the Findings of Fact and Conclusions of Law contained in this Order; and consents
19 to the entry of this Order by the Commission.

20 **I.**

21 **FINDINGS OF FACT**

22 1. SYCHOWSKI’S last known business address is 7631 W. Villa Rita Drive,
23 Glendale, Arizona 85308.

24 2. From September 5, 1996, until October 2, 1998, SYCHOWSKI was registered
25 to sell securities in Arizona through United Planners’ Financial Services Of America, a
26 limited partnership (“UPFS”). SYCHOWSKI’S registration to sell securities in Arizona

1 expired on December 31, 1998, pursuant to A.R.S. § 44-1947(B). SYCHOWSKI sold mostly
2 mutual funds, stocks, and bonds.

3 3. In or about March 1998, SYCHOWSKI offered for sale and sold securities
4 totaling approximately \$300,000 in Executive Investment Group, L.L.C. (“Executive”) to
5 fifteen or more investors. These securities were offered for sale and sold within or from
6 Arizona. The securities were neither registered nor exempt from registration.

7 4. Executive was an affiliated company of Hanover Financial Corporation
8 (“Hanover”). Hanover was purportedly an investment-banking firm that raised capital to
9 finance businesses, particularly start-up companies. Hanover raised capital for Executive by
10 promoting the sale of membership units in the limited liability company.

11 5. Membership units in Executive were previously the subject of S-03265A-98-
12 0000, Decision No. 61102, in which the Commission found that the units constituted
13 securities that were unregistered, not the subject of a notice filing, and not exempt from
14 registration.

15 6. UPFS did not authorize SYCHOWSKI to conduct any private securities
16 transactions in Executive.

17 7. In September 2000, SYCHOWSKI signed a Letter of Acceptance, Waiver and
18 Consent, No. C3A000037 in connection with this activity, which was accepted by the
19 National Association of Securities Dealers Regulation, Inc. According to the terms of the
20 Letter of Acceptance, Waiver and Consent, no fine was imposed and SYCHOWSKI is
21 suspended from association with any member of the National Association of Securities
22 Dealers, Inc., in any capacity, for one year.

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II.

CONCLUSIONS OF LAW

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3 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
4 Arizona Constitution and the Securities Act.

5 2. SYCHOWSKI offered for sale and sold securities within or from Arizona within
6 the meaning of A.R.S. §§ 44-1801(13), now known as 44-1801(15); 44-1801(19), now known as
7 44-1801(21); and 44-1801(23), now known as 44-1801(26).

8 3. SYCHOWSKI violated A.R.S. § 44-1841 by offering for sale and selling
9 securities that were neither registered nor exempt from registration.

10 4. SYCHOWSKI'S conduct is grounds for a cease and desist order pursuant to
11 A.R.S. § 44-2032.

12 5. SYCHOWSKI'S conduct is grounds for penalties under A.R.S. § 44-2036.

III.

ORDER

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15 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and
16 SYCHOWSKI'S consent to the entry of this Order, the Commission finds that the following
17 relief is appropriate, in the public interest, and necessary for the protection of investors:

18 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that SYCHOWSKI permanently cease
19 and desist from violating the Securities Act.

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1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that SYCHOWSKI shall
2 pay an administrative penalty in the amount of \$6,000, payable to the "State of Arizona."
3 Payment shall be made as follows: \$1,000 on the date of this Order; \$250 per month on or before
4 the 15th day of each month beginning on December 15, 2000. Any amount of penalty
5 outstanding will accrue interest at the rate of 10% per annum from the date of this Order until
6 paid in full. If SYCHOWSKI does not comply with this order for administrative penalties, any
7 outstanding balance may be deemed in default and shall be immediately due and payable.

8 IT IS FURTHER ORDERED that this Order shall become effective immediately.

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10 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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13 CHAIRMAN

COMMISSIONER

COMMISSIONER

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15 IN WITNESS WHEREOF, I, Brian C. McNeil, Executive
16 Secretary of the Arizona Corporation Commission, have
17 hereunto set my hand and caused the official seal of the
18 Commission to be affixed at the Capitol, in the City of
19 Phoenix, this ____ day of _____, 2000.

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21 _____
22 BRIAN C. McNEIL
23 Executive Secretary

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25 _____
26 DISSENT

(ABB)

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Coordinator, voice phone number 602-542-3931, E-mail shood@cc.state.az.us.

CONSENT TO ENTRY OF ORDER

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2 1. SYCHOWSKI, an individual, admits the jurisdiction of the Commission over the
3 subject matter of this proceeding. SYCHOWSKI acknowledges that she has been fully advised
4 of her right to a hearing to present evidence and call witnesses and SYCHOWSKI knowingly
5 and voluntarily waives any and all rights to a hearing before the Commission and all other rights
6 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona
7 Administrative Code. SYCHOWSKI acknowledges that this Order To Cease And Desist, Order
8 For Administrative Penalties And Consent To Same (“Order”) constitutes a valid final order of
9 the Commission.

10 2. SYCHOWSKI knowingly and voluntarily waives any right she may have under
11 Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or
12 extraordinary relief resulting from the entry of this Order.

13 3. SYCHOWSKI acknowledges and agrees that this Order is entered into freely and
14 voluntarily and that no promise was made or coercion used to induce her to enter into it.

15 4. SYCHOWSKI acknowledges that she has been represented by counsel in this
16 matter, she has reviewed this Order with her attorney and understands all terms it contains.

17 5. SYCHOWSKI admits, solely for purposes of this proceeding and any other
18 administrative proceeding before the Commission or any other agency of this State, the Findings
19 of Fact and Conclusions of Law contained in this Order.

20 6. By consenting to the entry of this Order, SYCHOWSKI agrees not to take any
21 action or to make, or permit to be made, any public statement denying, directly or indirectly, any
22 Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is
23 without factual basis.

24 7. While this Order settles this administrative matter between SYCHOWSKI and
25 the Commission, SYCHOWSKI understands that this Order does not preclude the Commission

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1 from instituting other administrative proceedings based on violations that are not addressed by
2 this Order.

3 8. SYCHOWSKI understands that this Order does not preclude the Commission
4 from referring this matter to any agency for administrative, civil, or criminal proceedings that
5 may be related to the matters addressed by this Order.

6 9. SYCHOWSKI understands that this Order does not preclude any other agency or
7 officer of this State or its subdivisions from instituting administrative, civil or criminal
8 proceedings that may be related to the matters addressed by this Order.

9 10. SYCHOWSKI agrees that she shall not apply for registration as a securities
10 dealer or salesman under the Securities Act of Arizona, A.R.S. § 44-1801, *et seq.*, or for licensure
11 as an investment adviser or investment adviser representative under the Arizona Investment
12 Management Act, A.R.S. § 44-3101, *et seq.*, until the later in time of two years from the date of
13 this Order, or when the penalty, with all outstanding accrued interest, is paid in full.
14 SYCHOWSKI acknowledges that the Commission retains discretion to enter an order, after a
15 hearing or notice and an opportunity for a hearing, denying her application for registration as a
16 securities dealer or salesman pursuant to A.R.S. § 44-1961 or § 44-1962, respectively, or denying
17 her application for licensure as an investment adviser or investment adviser representative
18 pursuant to A.R.S. § 44-3201.

19 11. SYCHOWSKI agrees that until the penalty, with all outstanding accrued interest,
20 is paid in full, SYCHOWSKI will notify the Director of the Securities Division within 30 days of
21 any change in her residential address.

22 12. SYCHOWSKI acknowledges that the Commission does not waive any right or
23 remedy it may have by accepting any partial or untimely payment SYCHOWSKI may tender to
24 the Commission.

25 13. SYCHOWSKI understands that default will render her liable to the Commission
26 for its costs of collection and interest at the maximum legal rate.

