

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Meat Goats and Sheep, Inc., and  
Francis "Frank" Willis,

Respondents.

ODS File No. 12-049

**FINAL ORDER TO CEASE AND DESIST**

Pursuant to the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), an investigation was conducted by the Oklahoma Department of Securities (Department) into the activities of Meat Goats and Sheep, Inc. (MGS) and Francis "Frank" Willis (Willis) (collectively, "Respondents"), in connection with the offer, sale and/or purchase of securities in and/or from Oklahoma. On October, 31, 2013, the Administrator of the Department (Administrator) issued an *Order to Cease and Desist and Notice of Opportunity for Hearing* (Order and Notice) against Respondents.

Pursuant to Section 1-611 of the Act, service on Respondents was made by serving the Administrator on October 31, 2013. Pursuant to Section 1-611 of the Act, the Order and Notice and Notice of Service on the Administrator and Affidavit of Compliance (Notice of Service) were mailed to Respondents, by certified mail, return receipt requested, and delivery restricted to addressees. On November 13, 2013, the Order and Notice and Notice of Service mailed to Respondent Willis was returned marked "Return to Sender, Moved Left No Address, Unable to Forward." On November 21, 2013, the Order and Notice and Notice of Service Mailed to Respondent MGS was returned marked "Return to Sender, Not Deliverable as Addressed, Unable to Forward." No request for hearing has been received by the Administrator. This order is issued pursuant to Section 1-604 of the Act.

The Administrator, being fully advised in this matter, finds that the issuance of this Order is in the public interest and hereby adopts the Findings of Fact and Conclusions of Law set forth in the Order and Notice, attached hereto as Exhibit A, and incorporated herein by reference.

**NOW THEREFORE, IT IS HEREBY ORDERED** that the order to cease and desist against Respondents is made final by operation of law.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this  
19<sup>th</sup> of December, 2013.

(SEAL)



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IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 19<sup>th</sup> day of December, 2013, a true and correct copy of the above and foregoing *Final Order to Cease and Desist* was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Meat Goats and Sheep, Inc.  
5401 N. 435 Rd.  
Adair, OK 74330

Francis "Frank" Willis  
5401 N. 435 Rd.  
Adair, OK 74330

Brenda London  
Brenda London  
Paralegal

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Meat Goats and Sheep, Inc., and  
Francis "Frank" Willis,

Respondents.

ODS File No. 12-049

**ORDER TO CEASE AND DESIST**  
**AND**  
**NOTICE OF OPPORTUNITY FOR HEARING**

**Order to Cease and Desist**

Pursuant to the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), an investigation was conducted by the Oklahoma Department of Securities (Department) into the activities of Meat Goats and Sheep, Inc. (MGS) and Francis "Frank" Willis (Willis) (collectively, "Respondents"), in connection with the offer, sale and/or purchase of securities in and/or from Oklahoma. Based thereon, the following Findings of Fact, Authorities, and Conclusions of Law are presented in support of sanction(s) against Respondents.

**Findings of Fact**

1. MGS is an Oklahoma corporation with its principal place of business in Adair, Oklahoma. At all times relevant hereto, MGS was purportedly in the business of raising and caring for feeder goats and sheep to be sold for a profit. MGS is not, and at all times material hereto was not, registered in any capacity under the Act.
2. Willis, an Oklahoma resident, is the President of MGS. Willis is not, and at all times material hereto was not, registered in any capacity under the Act.
3. From May 2010 through June 2011, Respondents offered investment opportunities in the form of shares of stock, joint venture agreements, and convertible bonds to investors in MGS (Investment Opportunities).
4. The joint venture agreement offered exclusive ownership of ten (10) goats and sheep for One Thousand Two Hundred and Fifty Dollars (\$1,250) and an investment term of four (4) to six (6) months. Respondents agreed to use the investor funds to purchase the animals. Respondents maintained complete authority and discretion in the management and control of the joint venture operations.

EXHIBIT

A

5. At least one investor entered into a joint venture agreement with MGS that provided for a return of fifty percent (50%) of the net profit from the joint venture.

6. The convertible bonds were sold at a fixed interest rate of 18% for a six month term. The bonds were marketed as a "safe and secure investment."

7. The Respondents raised Eighty-Two Thousand Five Hundred Dollars (\$82,500) from at least six (6) investors. The investors purchased stock and/or entered into the joint venture agreements with MGS.

8. The Respondents falsely told investors that all investment funds would be used for the purchase, transport, feeding, care, and sale of the animals.

9. Investors did not receive a return on their investments or repayment of their principal.

10. Respondent Willis told at least one investor he would still make the promised returns to investors by promoting and selling another product.

11. Respondents failed to inform investors that Respondent Willis and his company, Boer Goats, Inc., were facing penalties brought by the United States Department of Agriculture (USDA) during the time offers and/or sales of the Investment Opportunities were made. The USDA action was based on failures by Respondent Willis to pay, when due, for multiple purchases of livestock; to obtain the required bond; and to maintain adequate and accurate purchase records. The action was resolved when Respondent Willis agreed to cease livestock operations for a period of One Hundred and Fifty (150) days in April 2011.

12. Respondents failed to inform investors that Respondent Willis had previously filed for Chapter 7 Bankruptcy in February 2009, and received a discharge in July 2009.

13. Respondents failed to inform investors that their funds would be used to pay the salary and personal expenses of Respondent Willis.

14. The Investment Opportunities were not registered under the Act and no filing to claim an exemption from registration was filed under the Act.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

#### Authorities

1. Section 1-102 of the Act provides in pertinent part:

2. "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the

issuer's securities. A partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term.

\* \* \*

19. "Issuer" means a person that issues or proposes to issue a security[.]

\* \* \*

32. "Security" means a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a "security," or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. The term:

\* \* \*

d. includes as an "investment contract" an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor and a "common enterprise" means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors[.]

2. Section 1-301 of the Act provides in part:

It is unlawful for a person to offer or sell a security in this state unless:

1. The security is a federal covered security;

2. The security, transaction, or offer is exempted from registration under Sections 6 through 8 of this act [Sections 1-201 through 1-203 of this title]; or

3. The security is registered under this act.

3. Section 1-501 of the Act provides:

It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly:

1. To employ a device, scheme, or artifice to defraud;
  2. To make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it is made, not misleading; or
  3. To engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.
4. Section 1-602 of the Act provides in part:
- A. The Administrator may:
    1. Conduct public or private investigations within or outside of this state which the Administrator considers necessary or appropriate to determine whether a person has violated, is violating, or is about to violate this act or a rule adopted or order issued under this act, or to aid in the enforcement of this act or in the adoption of rules and forms under this act[.]
5. Section 1-604 of the Act provides in pertinent part:
- A. If the Administrator determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice or that a person has materially aided, is materially aiding, or is about to materially aid an act, practice, or course-of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice, the Administrator may:
    1. Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary or appropriate to comply with this act[.]

\* \* \*

B. An order under subsection A of this section is effective on the date of issuance. Upon issuance of the order, the Administrator shall promptly serve each person subject to the order with a copy of the order and a notice that the order has been entered. The order must include a statement whether the Administrator will seek a civil penalty or costs of the investigation, a statement of the reasons for the order, and notice that, within fifteen (15) days after receipt of a request in a record from the person, the matter will be scheduled for a hearing and the hearing shall be commenced within fifteen (15) days of the matter being set for hearing. If a

person subject to the order does not request a hearing and none is ordered by the Administrator, within thirty (30) days after the date of service of the order, the order, that may include a civil penalty or costs of the investigation if a civil penalty or costs were sought in the statement accompanying the order, becomes final as to that person by operation of law. If a hearing is requested or ordered, the Administrator, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate the order or extend it until final determination.

C. If a hearing is requested or ordered pursuant to subsection B of this section, a hearing must be held pursuant to the Administrative Procedures Act. A final order may not be issued unless the Administrator makes findings of fact and conclusions of law in a record in accordance with the Administrative Procedures Act. The final order may make final, vacate, or modify the order issued under subsection A of this section.

D. In a final order under subsection C of this section, the Administrator may impose a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or up to Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations in a single proceeding or a series of related proceedings.

E. In a final order, the Administrator may charge the actual cost of an investigation or proceeding for a violation of this act or a rule adopted or order issued under this act.

#### Conclusions of Law

1. The Investment Opportunities are securities as defined by Section 1-102 of the Act.
2. Respondents offered and/or sold securities in and/or from the state of Oklahoma.
3. Respondents offered and/or sold unregistered securities in and/or from this state, in violation of Section 1-301 of the Act.
4. Respondents made untrue statements of material fact and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer, sale and/or purchase of securities, in violation of Section 1-501 of the Act.
5. The Administrator has the authority to order Respondents to cease and desist from engaging in acts, practices, or a course of business constituting a violation of the Act.
6. It is in the public interest to order Respondents to cease and desist from engaging in acts, practices, or a course of business constituting a violation of the Act.

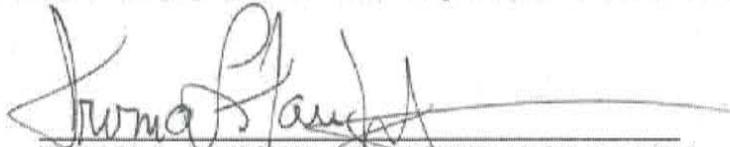
To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

Order

Based on Section 1-604 of the Act and the Findings of Fact, Authorities, and Conclusions of Law set forth above, IT IS HEREBY ORDERED that Respondents Meat Goats and Sheep, Inc. and Francis "Frank" Willis, immediately cease and desist from engaging in any act, practice, or course of business constituting a violation of the Act or a rule adopted or order issued under the Act.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 31st of October, 2013.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

### Notice of Opportunity for Hearing

Pursuant to Section 1-604 of the Act, the Administrator hereby gives notice to Respondents of their right to request a hearing. The request for hearing must be received by the Administrator within thirty (30) days after service of the Order to Cease and Desist (Order). The request for hearing must be in writing and Respondents shall specifically admit or deny each allegation that is contained in the Order.

Within fifteen (15) days after receipt of a request for hearing Meat Goats and Sheep, Inc. and/or Francis "Frank" Willis, this matter will be scheduled for hearing. The hearing shall commence within fifteen (15) days of the matter being set for hearing. Notice of the date, time and location of the hearing shall be given to the Respondent(s) requesting the hearing. If a hearing is requested, the Administrator, after notice of and opportunity for hearing, may modify or vacate the Order or extend it until final determination.

If a Respondent does not request a hearing within thirty (30) days after the date of service of the Order and none is ordered by the Administrator, the Order becomes final by operation of law as to each such Respondent.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 13st day of October, 2013.

(SEAL)

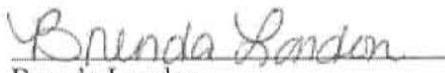
  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 1st day of November, 2013, a true and correct copy of the above and foregoing *Order to Cease and Desist and Notice of Opportunity for Hearing* was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Meat Goats and Sheep, Inc.  
5401 N. 435 Rd  
Adair, OK 74330

Francis "Frank" Willis  
5401 N. 435 Rd  
Adair, OK 74330

  
Brenda London  
Paralegal

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

7000 0520 0022 7150 3189

CDNOH 12-049 Amc

Postage	\$		11-1-13
Certified Fee		310	
Return Receipt Fee (Endorsement Required)		255	Postmark Here
Restricted Delivery Fee (Endorsement Required)		475	
Total Postage & Fees	\$	11.06	

Meat Goats and Sheep, Inc.  
 5401 N. 435 Rd  
 Adair, OK 74330

(by mailer)

for instructions

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

7000 0520 0022 7150 3186

CDNOH 12-049 Amc

Postage	\$	<del>520</del>	11-1-13
Certified Fee		310	
Return Receipt Fee (Endorsement Required)		255	Postmark Here
Restricted Delivery Fee (Endorsement Required)		475	
Total Postage & Fees	\$	11.06	

Francis "Frank" Willis  
 5401 N. 435 Rd  
 Adair, OK 74330

(by mailer)

for instructions



OKLAHOMA DEPARTMENT OF SECURITIES  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102

RECEIVED  
OKLAHOMA DEPT  
OF SECURITIES  
NOV 13 AM 10:13

CERTIFIED MAIL



7000 0520 0022 7150 3196



RESTRICTED DELIVERY

Francis "Frank" Willis  
5401 N. 435 Rd  
Adair, OK 74330

731 N7E 109851ZF0011/10/13  
RETURN TO SENDER  
WILLIS, FRANK  
MOVED LEFT NO ADDRESS  
UNABLE TO FORWARD  
RETURN TO SENDER  
RC: 73102749499 0857-01721-01-39



U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

7000 0520 0022 7150 3264

FO 12-049 Amc

Postage	\$	
Certified Fee		3.10
Return Receipt Fee (Endorsement Required)		2.55
Restricted Delivery Fee (Endorsement Required)		4.75
<b>Total Postage &amp; Fees</b>	<b>\$</b>	<b>11.06</b>

12-19-13

Postmark  
Here

Meat Goats and Sheep, Inc.  
 5401 N. 435 Rd.  
 Adair, OK 74330

*(by mailer)*

for Instructions

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

7000 0520 0022 7150 3257

FO 12-049 Amc

Postage	\$	
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Return Receipt Fee (Endorsement Required)		2.55
Restricted Delivery Fee (Endorsement Required)		4.75
<b>Total Postage &amp; Fees</b>	<b>\$</b>	<b>11.06</b>

12-19-13

Postmark  
Here

Francis "Frank" Willis  
 5401 N. 435 Rd.  
 Adair, OK 74330

*(by mailer)*

for Instructions

OKLAHOMA DEPARTMENT OF SECURITIES  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102

RECEIVED  
OKLAHOMA DEPT.  
OF SECURITIES

2014 JAN 13 A 8:27

Moved Left  
NO ADDRESS  
UNABLE TO FORWARD  
UNCLAIMED  
NO RETURN ADDRESS  
NO MAIL PERMITTED  
VACANT - ORDER DECREASED  
POSTAGE DUE

CERTIFIED MAIL



7000 0520 0022 7150 3264



UNITED STATES POSTAGE  
FITNEY BOWES  
02 1R \$ 11.06<sup>0</sup>  
0002002312 DEC 19 2013  
MAILED FROM ZIP CODE 73102

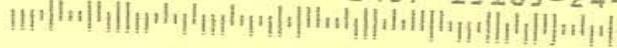
RESTRICTED DELIVERY

Meat Goats and Sheep, Inc.  
5401 N. 435 Rd.  
Adair OK 74330

NIXIE 731 DE 1 0001/09/14

RETURN TO SENDER  
VACANT  
UNABLE TO FORWARD

BC: 73102749499 \*2457-13165-24-08



73102 @7494

