

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
WILL ROGERS MEMORIAL OFFICE BUILDING, 4TH FLOOR  
P. O. BOX 53595  
OKLAHOMA CITY, OKLAHOMA 73152

In the Matter of:

Walling Heirs Association  
2729 S.W. 44th  
Oklahoma City, Oklahoma 73119

Beatrice J. Thedford  
2729 S.W. 44th  
Oklahoma City, Oklahoma 73119

Karen Thompson  
2729 S.W. 44th  
Oklahoma City, Oklahoma 73119

LaDonna Spradlin  
2729 S.W. 44th  
Oklahoma City, Oklahoma 73119

Respondents.

OSC 89-27

ADMINISTRATOR'S PERMANENT ORDER

On November 2, 1989, a Summary Order to Cease and Desist and Notice of Intent to Issue Permanent Order to Cease and Desist was issued against the above-named Respondents based on an investigation by the Department in the referenced case.

A hearing was requested by the above-named Respondents.

The Administrator appointed Robert A. Butkin, Assistant Attorney General, as Hearing Officer pursuant to the provisions of Section 405 of the Oklahoma Securities Act (Act), to conduct said hearing, issue Findings of Fact and make recommendations concerning Conclusions of Law.

On December 18, 19, 20, 1989 and January 4, 1990, the hearing with respect to Respondents was held.

On January 22, 1990 Robert A. Butkin, the duly appointed Hearing Officer, submitted to the Administrator his Findings of Fact, Conclusions of Law, Relief, and Ruling on Parties' Proposed Findings, all of which are attached hereto and incorporated herein by reference.

The Administrator hereby adopts the Hearing Officer's Findings of Fact, Conclusions of Law, Relief, and Ruling on Parties' Proposed Findings, except, the Administrator does not adopt the Hearing Officer's Finding on page 29 requiring a level of scienter or intent as a prerequisite to finding that a violation of Section 101(3) has occurred. Rather, the Administrator concludes that scienter or intent is not required to establish a violation of Section 101(3).

NOW THEREFORE, based on the above and on the authorities set forth in the Notice, which authorities are incorporated herein by reference, IT IS HEREBY ORDERED THAT:

1. Respondent Walling Heirs Association cease and desist from violations of the Act.

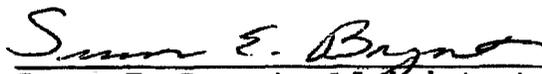
2. Respondent Beatrice J. Thedford cease and desist from violations of the Act.

3. Respondent Karen Thompson cease and desist from violations of the Act.

4. Respondent LaDonna Spradlin cease and desist from violations of the Act.

WITNESS my Hand and the Official Seal of the Oklahoma Securities Commission this 23rd day of January, 1990.

(SEAL)

  
Susan E. Bryant, Administrator  
of the Department of Securities and  
for the Oklahoma Securities Commission  
Will Rogers Bldg., 4th Floor  
P. O. Box 53595  
Oklahoma City, Oklahoma 73152  
Telephone (405) 521-2451

NOTICE: VIOLATION OF THIS ORDER IS A FELONY, OKLA. STAT. TIT. 71, SECTION 407(a) (1988).

CRIMINAL PENALTIES. (A) ANY PERSON WHO WILLFULLY VIOLATES ANY PROVISION OF THIS ACT EXCEPT SECTION 403 OF THIS TITLE OR WHO WILLFULLY VIOLATES ANY RULE OR ORDER UNDER THIS ACT, OR WHO WILLFULLY VIOLATES SECTION 403 OF THIS TITLE KNOWING THE STATEMENT MADE TO BE FALSE OR MISLEADING IN ANY MATERIAL RESPECT, SHALL BE GUILTY OF A FELONY, AND SHALL UPON CONVICTION BE FINED NOT MORE THAN TEN THOUSAND DOLLARS (\$10,000.00) OR IMPRISONED NOT MORE THAN TEN (10) YEARS, OR BOTH.