

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: ALTON SECURITIES GROUP, INC. )

FILE NO. 0201020 )

CONSENT ORDER OF CENSURE

TO THE RESPONDENT:

Alton Securities Group, Inc.  
2410 State Street  
Post Office Box 160  
Alton, Illinois 62002

c/o John R. Short  
Attorney at Law  
Blackwell, Sanders, Peper Martin LLP  
720 Olive Street, Suite 2400  
Saint Louis, Missouri 63101

WHEREAS, Respondent on the 17th day of July 2003 executed a certain Stipulation to Enter Consent Order of Censure ("Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated May 20, 2003, in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Censure ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, while neither admitting nor denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a dealer in the State of Illinois pursuant to Section 8 of the Act.
2. That Douglas M. Cherry (Cherry), Terrence V. Mohr (Mohr) and Robert L. Norris (Norris) are natural persons and during all relevant times, were employed by the Respondent to act as salespersons in the offer and sale of securities to the general public.

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3. That in connection with the aforementioned activities:
  - a. Cherry, between May 1, 2001 and October 3, 2002 effected approximately 41 purchase transactions in customer accounts totaling \$311,385.00. Concurrently, he effected approximately 13 sell transactions in customer accounts totaling \$177,385.00. His gross commission was \$3,822.00 with a net commission received of \$3,185.00;
  - b. Norris during the years of 2001 and 2002, effected approximately 9 transactions in customer accounts receiving net commissions in the approximate amount of \$6,000; and
  - c. Mohr, during the years of 2001 and 2002, effected 5 transactions in customer accounts receiving net commissions in the approximate amount of \$1,000.
4. That during all relevant times, Cherry, Norris and Mohr were not registered with the Secretary of State as salespersons in the State of Illinois pursuant to Section 8 of the Act.
5. That Section 8.E (1)(e)(ii) of the Act provides, inter alia, that the registration of a dealer may be revoked if the Secretary of State finds that such dealer has offered or sold securities in this State through a salesperson other than a registered salesperson.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's registration as a dealer in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(e)(ii) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that:

1. It shall be censured:
2. It shall pay the sum of Four Thousand dollars (\$4,000.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashiers check and made to the order of the Office of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order; and
3. It will undertake to continue its initiatives already begun to improve its understanding of the workings of Web CRD, including seeking assistance from

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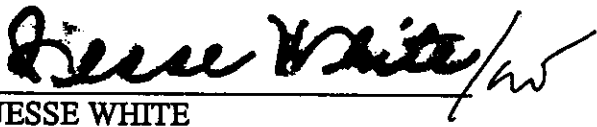
the Web CRD support Center and attending a Web CRD conference or program when one is available in it's geographical area.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED:

1. Alton Securities Group, Inc. shall and is be censured.
2. Alton Securities Group, Inc. shall pay the sum of Four Thousand dollars (\$4,000.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashiers check and made to the order of the Office of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order.
3. Alton Securities Group, Inc. will undertake to continue its initiatives already begun to improve its understanding of the workings of Web CRD, including seeking assistance from the Web CRD support Center and attending a Web CRD conference or program when one is available in it's geographical area.
4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 24<sup>th</sup> day of July, 2003.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be violation of Section 12.D of the Illinois Securities Law of 1953 [815 ILCS 5] (the Act). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.