

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



In the Matter of:

Governmental Finance of Oklahoma, Inc.  
(CRD No. 126457)

and

Marshall Hawkins  
(CRD No. 869148),

Respondents.

File No. ODS 09-031

**AGREEMENT**

**THIS AGREEMENT** is entered into this 5th day of August, 2009, by and between the Administrator of the Oklahoma Department of Securities ("Department"), Governmental Finance of Oklahoma, Inc. ("Governmental Finance") and Marshall Hawkins Sr. ("Hawkins").

**WHEREAS**, from on or about July 1986 until August 2008, Governmental Finance has acted as an adviser to various Oklahoma governmental entities, and, in such capacity, assisted the entities with strategic planning, structuring, financial analysis, and drafting of documents, and advised them regarding current bond market conditions, timing and other related matters ("Financial Advisory Services"). Governmental Finance was compensated for such services by the governmental entities.

**WHEREAS**, commencing in 1992 and continuing to the present, the Department has asserted that a person providing Financial Advisory Services, for compensation, is engaged in the business of advising others as to the advisability of issuing, *i.e.*, selling, securities, and as a result is an investment adviser subject to registration under the securities laws of the State of Oklahoma.

**WHEREAS**, Governmental Finance was registered as an investment adviser under Oklahoma law from February 12, 1992, until December 31, 1999.

**WHEREAS**, in August 1992, the Department conducted a routine examination of Governmental Finance. At the conclusion of the examination, the Department asserted that certain individuals, including Hawkins, had rendered investment advisory services in the State of Oklahoma on behalf of Governmental Finance without registration as an investment adviser

representative and that Governmental Finance had failed to provide prospective advisory clients with the required written disclosure statements. The Department asserted that these activities violated the provisions of the Oklahoma Securities Act (Predecessor Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 & Supp. 2002) and 660:10-7-43(a) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities. In response, Governmental Finance and Hawkins asserted that the Financial Advisory Services they rendered to their clients did not constitute investment advisory services and, thus, that they were not subject to the jurisdiction of the Department with respect to such matters. In order to resolve the issues, Governmental Finance entered into an agreement with the Department on April 22, 1993. Governmental Finance agreed to register all persons who the Department asserted were acting as investment adviser representatives of Governmental Finance and to furnish advisory clients and prospective advisory clients with the required written disclosure statements. Hawkins signed the agreement on behalf of Governmental Finance.

**WHEREAS**, Hawkins was registered as an investment adviser representative of Governmental Finance from May 4, 1993, until December 31, 1999.

**WHEREAS**, in November 2002, the Department conducted an investigation into the activities of Governmental Finance. At the conclusion of the investigation, the Department asserted that, from January 1, 2000, until February 6, 2002, Governmental Finance, without benefit of registration, acted as an investment adviser to various Oklahoma governmental entities, and that Hawkins, without benefit of registration, acted as an investment adviser representative of Governmental Finance. Governmental Finance and Hawkins again asserted that the services they rendered to their clients did not constitute investment advisory services and, thus, that they were not subject to the jurisdiction of the Department with respect to such matters. In order to resolve the issues, Governmental Finance entered into a second agreement with the Department on June 11, 2003. Governmental Finance agreed to pay a civil penalty and to comply with Section 201 of the Predecessor Act, in connection with providing its Financial Advisory Services to governmental entities.

**WHEREAS**, Governmental Finance was registered as an investment adviser under Oklahoma law from June 18, 2003, until December 31, 2005, and Hawkins was registered as an investment adviser representative of Governmental Finance from June 18, 2003, until December 31, 2005.

**WHEREAS**, in March 2006, Governmental Finance attempted to complete an application to register as an investment adviser under Section 1-403 of the Act but, as a result of difficulties encountered in completing the online registration form, did not complete such application.

**WHEREAS**, from March 1, 2006, until August 1, 2008, Governmental Finance, without registration as an investment adviser under the Act, continued to provide its Financial Advisory Services to various Oklahoma governmental entities.

**WHEREAS**, from March 1, 2006, until August 1, 2008, Hawkins acted on behalf of Governmental Finance in rendering the Financial Advisory Services without registration under the Act as an investment adviser representative.

**WHEREAS**, solely in order to avoid the time and expense incident to an administrative proceeding and potential litigation necessary to resolve the issue of whether Governmental Finance is an investment adviser under the Act, the issue of whether Hawkins is an investment adviser representative, and other matters, the parties agree to settle the matter on the terms set out in this Agreement.

**NOW THEREFORE**, in consideration of the foregoing, the parties hereto agree as follows:

1. Compliance with the Act. Governmental Finance shall, in the future, comply with all provisions of Section 1-403 of the Act when providing its Financial Advisory Services to the State of Oklahoma, any county, municipality or school district of this state, or any other political subdivision of this state; any agency or corporate or other instrumentality of any such entity; or any pension fund for the benefit of employees of any such entity in and/or from the State of Oklahoma.

2. Registration Status. Upon their completion of the registration application process, the Department will register Governmental Finance and Hawkins under the Act as an investment adviser and an investment adviser representative, respectively, through December 31, 2009. For registration beyond December 31, 2009, Governmental Finance, and any registered investment adviser representative of Governmental Finance, must successfully complete the renewal of their registrations effective January 1, 2010.

3. Limitation on Activities. For a period not to exceed six months from the effective date of this Agreement, Governmental Finance and Hawkins may complete any contracts pending as of the effective date of this Agreement that relate to providing its Financial Advisory Services, but shall not solicit or initiate any new contracts. However, such restriction shall be of no further force and effect if and when another individual including, but not limited to, Marshall Hawkins, Jr., becomes registered as an investment adviser representative of Governmental Finance. If Governmental Finance does not have a registered investment adviser representative, other than Hawkins, on or before the date that is six (6) months from the effective date of this Agreement, Governmental Finance hereby consents to the termination of its registration under the Act, without further notice or opportunity for hearing, effective as of such date.

4. Withdrawal of Registration by Hawkins. Upon the registration of an investment adviser representative of Governmental Finance, other than Hawkins, or the date that is six (6) months from the effective date of this Agreement, whichever first occurs, Hawkins shall withdraw his registration as an investment adviser representative under the Act and shall cease any and all of his activities on behalf of Governmental Finance. Hawkins shall not thereafter apply for registration under the Act in any capacity.

5. Interagency Cooperation. Nothing in this Agreement shall prohibit the Administrator from furnishing information to any other properly constituted agency or authority. In the event any other agency or authority commences any action in connection with any information obtained by the Administrator against the named Respondents, the Administrator may assist in such actions as authorized by law. It is also understood that this Agreement applies only to the activities of Governmental Finance and Hawkins and to no others.

6. Consideration. The Administrator agrees that no further action shall be taken against Governmental Finance and Hawkins in connection with the matters which were the subject of the captioned matter; provided, however, if Governmental Finance and/or Hawkins fail to comply with the terms of this Agreement in any material respect, the Department may initiate action as authorized by the Act.

7. Entire Agreement. This writing constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification or amendment to this Agreement shall be binding unless in writing and executed by each of the parties hereto.

8. Effective Date. This Agreement shall be effective as of the date upon which it is accepted by the Administrator, as set forth below his signature hereto.

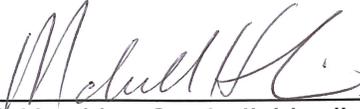
**IN WITNESS HEREOF**, the parties have executed this Agreement as of the date and year set forth below their signatures hereto.

**Governmental Finance of Oklahoma, Inc.**

By:   
\_\_\_\_\_  
Marshall Hawkins Sr., President

Address: 2304 N. Interstate Drive  
Norman, OK 73072

and

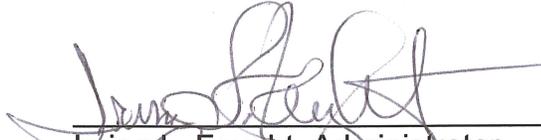


\_\_\_\_\_  
Marshall Hawkins Sr., individually

Date: 8/3, 2009

Address: 2304 N. Interstate Drive  
Norman, OK 73072

**OKLAHOMA DEPARTMENT OF SECURITIES**



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Irving L. Faught, Administrator

Date: 8/05/09, 2009