

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

MAY 16 2013

TIM RHODES  
COURT CLERK

32

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

Oklahoma Department of Securities )  
ex rel. Irving L. Faught, )  
Administrator, )

Plaintiff, )

v. )

Jasper E. Bidy, IV, )

Defendant. )

Case No. CV-2013-911 (Swinton)

FINAL ORDER, JUDGMENT AND PERMANENT INJUNCTION

On this 15<sup>th</sup> day of May, 2013, this matter came before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, for entry by consent of this *Final Order, Judgment and Permanent Injunction* ("Final Order"). After a review of the pleadings and Defendant's *Stipulation and Consent to Final Order* ("Stipulation and Consent"), this Court finds:

On April 29, 2013, Plaintiff filed a petition alleging that Defendant engaged in violations of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), and an order issued under the Act. Defendant executed the Stipulation and Consent attached hereto as "Exhibit A" and made a part hereof. Plaintiff has no objection to the terms of the Stipulation and Consent and agrees to the entry of this Final Order.

Based on the pleadings and execution of the Stipulation and Consent, this Final Order should be entered, and therefore:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant is permanently enjoined from transacting business in and/or from the state of Oklahoma as an issuer, broker-dealer, agent, investment adviser and/or investment adviser representative, as defined in the Act, or otherwise offering and/or selling securities in and/or from the state of Oklahoma.

IT IS FURTHER ORDERED that Defendant pay restitution in the amount of \$25,000 to Jason Sumner before May 6, 2014. The restitution shall be paid in monthly installments of at least \$2,083.33, due on the 5<sup>th</sup> day of each month, beginning June 5, 2013.

IT IS FURTHER ORDERED that Defendant pay a civil penalty in the amount of \$10,000, to the Oklahoma Department of Securities' investor education revolving fund before June 1, 2014. Payment of the civil penalty shall be waived by Plaintiff if restitution is paid in compliance with this Final Order.

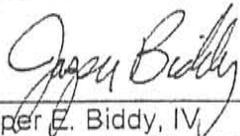
IT IS SO ORDERED.

Dated this 15<sup>th</sup> day of May, 2013.

BARBARA SWINTON

BARBARA SWINTON  
JUDGE OF THE DISTRICT COURT

Approved:



Jasper E. Bidy, IV  
17520 Charter Pines Drive  
Monument, CO 80132  
*Pro Se*

*Terra Bonnell*

Terra Shamas Bonnell (OBA # 20838)

Robert E. Fagnant (OBA # 30548)

Oklahoma Department of Securities

120 North Robinson, Suite 860

Oklahoma City, Oklahoma 73102

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Email: [tbonnell@securities.ok.gov](mailto:tbonnell@securities.ok.gov);

[rfagnant@securities.ok.gov](mailto:rfagnant@securities.ok.gov)

***Attorneys for Plaintiff***

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 16<sup>th</sup> day of May, 2013, a true and correct copy of the above and foregoing FINAL ORDER, JUDGMENT AND PERMANENT INJUNCTION was mailed, with postage prepaid thereon, addressed to:

Jasper E. Bidy IV  
17520 Charter Pines Drive  
Monument, CO 80132

  
\_\_\_\_\_  
Terra Shamas Bonnell

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

Oklahoma Department of Securities )  
ex rel. Irving L. Faught, )  
Administrator, )

Plaintiff, )

v. )

Jasper E. Bidy, IV, )

Defendant. )

Case No. CV-2013-911 (Swinton)

STIPULATION AND CONSENT TO FINAL ORDER

**STIPULATIONS**

Defendant, Jasper E. Bidy, IV, hereby stipulates to the following:

1. Plaintiff is the proper party to bring this action seeking the relief requested in the *Petition for Permanent Injunction and Other Equitable Relief* ("Petition") filed in this matter.

2. Defendant is subject to the jurisdiction of this Court; this Court has subject matter jurisdiction over this action; venue is proper in Oklahoma County; and service of the Summons and Petition upon Defendant was effected by email with Defendant's consent and was sufficient.

3. Defendant is an individual who resided in Edmond, Oklahoma, until his move to Monument, Colorado, in 2007.

4. While residing in Oklahoma, Defendant operated Legacy Wealth Management, LLC ("LWM"), an investment adviser registered

EXHIBIT

A

under the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), from November 29, 2004 until May 25, 2007, and from July 3 until July 23, 2007. Defendant was registered under the Act as an investment adviser representative of LWM, from November 29, 2004 until May 25, 2007, and from July 3 until July 23, 2007.

5. On July 23, 2007, the Administrator of the Oklahoma Department of Securities ("Administrator" and "Department") issued a Summary Order suspending the registrations of Defendant and LWM until a final determination on the recommendation of the Department's Enforcement Division to revoke their registrations was made.

6. On October 10, 2007, pursuant to an *Agreement* among Defendant, LWM, and the Administrator ("Agreement"), a *Final Order* was issued that, in part, suspended Defendant's investment adviser representative registration under the Act and barred him from transacting business in and/or from the state of Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent for six years from July 23, 2007 ("October 2007 Order"). The October 2007 Order also revoked the investment adviser registration of LWM and barred it from transacting business in and/or from Oklahoma as an investment adviser.

7. On February 14 and June 12, 2008, Defendant, LWM, and the Administrator amended provisions of the Agreement relating to Defendant and LWM refunding certain advisory fees to their clients.

8. As a result of Defendant's non-compliance with the amended refund provisions of the Agreement, the Administrator issued, on September 24, 2008, an Order against Defendant in which his registration as an investment adviser representative under the Act was revoked and he was indefinitely barred from transacting business in and/or from the state of Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent ("September 2008 Order").

9. The September 2008 Order contained the following conclusions of law:

a. Defendant and LWM willfully engaged in dishonest and unethical practices in the securities business in violation of 660:11-7-42 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules").

b. Defendant and LWM "impeded a representative of the Administrator from conducting an audit or inspection under Section 1-410 of the Act by failing to provide access to certain account statements" for accounts managed by Defendant and by later submitting altered account statements for such accounts to the Department, in violation of Section 1-410 of the Act and 660:11-7-45 of the Rules.

c. Defendant and LWM "engaged in an act, practice, and course of business that operated as a fraud and deceit upon accountholders [sic]" of accounts managed by Defendant, in violation of Section 1-502 of the Act.

10. Since being barred from transacting business in and/or from Oklahoma as an investment adviser, investment adviser representative,

broker-dealer, and/or agent, Defendant has opened and controlled two or more brokerage accounts on behalf of an Oklahoma resident ("Investor"). Investor was a former client of LWM. Defendant's control over Investor's brokerage accounts included, but was not limited to, selecting and trading securities.

11. In connection with the opening of Investor's brokerage accounts, Defendant told Investor that he closed LWM in 2007 but did not disclose the reason for the closure. Defendant did not tell Investor about the Department's administrative action against him or that he is barred from transacting business in and/or from Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent.

12. On January 25, 2013, Defendant represented to the Department that Investor executed a limited power of attorney in connection with his brokerage accounts so that Defendant "could help him." In fact, no written power of attorney or trading authorization was executed. Instead, Defendant controlled Investor's accounts utilizing Investor's online account password and email address.

13. Defendant was the designated beneficiary on at least one of Investor's accounts under his control.

14. In addition, Defendant has administered the website, [www.biddytrades.com](http://www.biddytrades.com) ("Website"), since being barred from transacting business in and/or from Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent.

15. Until Defendant deactivated it last month, the Website allowed a person to purchase a trial, monthly, or annual membership for \$30, \$99 per month, or \$990, respectively.

16. Members of the Website had access to the following, among other things: a) "A strategy that has profited during bull, bear or sideways markets"; b) Defendant's "chat room during regular market hours"; c) Defendant's "real-time trades" to be sent via email and text message and posted on Twitter as soon as the trades are placed; d) "Video updates four nights a week describing potential trade setups"; and e) "2-4 option trades & 2-4 stocks trades on average."

17. The Website had 215 members who paid a total of \$116,692 in membership fees.

18. Oklahoma residents had access to the Website and at least two (2) Oklahoma residents purchased memberships.

#### UNDERTAKINGS

Defendant hereby undertakes as follows:

1. Defendant consents to the entry of the *Final Order, Judgment and Permanent Injunction*, against Defendant ("Final Order"), in the form attached hereto as "Exhibit 1".

2. Defendant agrees not to transact business as an issuer, broker-dealer, agent, investment adviser, and/or investment adviser representative or otherwise offer and/or sell securities, in and/or from the state of Oklahoma.

3. Defendant agrees to make restitution in the amount of \$25,000 to Jason Sumner in accordance with the applicable provisions of the Final Order.

4. Defendant agrees to pay a civil penalty in the amount of \$10,000 to the Department's investor education revolving fund in accordance with the applicable provisions of the Final Order.

5. Defendant states that this Stipulation and Consent is entered into voluntarily and that no threat or promise of immunity of any kind has been made by the Administrator, the Department, any employee of the Department, or any member of the Oklahoma Securities Commission, to induce Defendant to enter into this Stipulation and Consent.

6. Defendant agrees that the provisions of this Stipulation and Consent shall be incorporated by reference into the Final Order as though set forth in full therein.

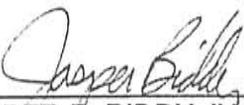
7. Defendant waives any right to appeal the Final Order.

8. Defendant agrees that this Court will retain jurisdiction over this matter for the purpose of enforcement of the Final Order and this Stipulation and Consent.

9. Defendant understands that Plaintiff will take action as authorized by law, including, but not limited to, an enforcement action under the Act, for Defendant's failure to comply with the terms of the Final Order and this Stipulation and Consent in any material respect or for any future violation of the Act.

10. Defendant agrees to the presentation of this Stipulation and Consent and the Final Order to the Court to be entered without further notice to Defendant.

IN WITNESS WHEREOF, Defendant has executed this Stipulation and Consent as of the date and year set forth below the signature hereto.

  
\_\_\_\_\_  
JASPER E. BIDDY, IV  
17520 Charter Pines Drive  
Monument, CO 80132

Date: 5-15-13

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

Oklahoma Department of Securities )  
ex rel. Irving L. Faught, )  
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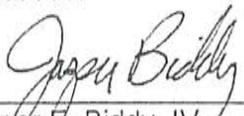
IT IS SO ORDERED.

Dated this 15<sup>th</sup> day of May, 2013.

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BARBARA SWINTON  
JUDGE OF THE DISTRICT COURT

Approved:

  
\_\_\_\_\_  
Jasper E. Bidy, IV  
17520 Charter Pines Drive  
Monument, CO 80132  
*Pro Se*

---

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[rfagnant@securities.ok.gov](mailto:rfagnant@securities.ok.gov)  
***Attorneys for Plaintiff***