

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



In the Matter of:

The Vernon Group, LLC (CRD 129496), and
Ronald David Vernon (CRD 4729523),

Respondents.

ODS File No. 12-021

NOTICE OF SERVICE ON THE ADMINISTRATOR
AND
AFFIDAVIT OF COMPLIANCE

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA) ss.

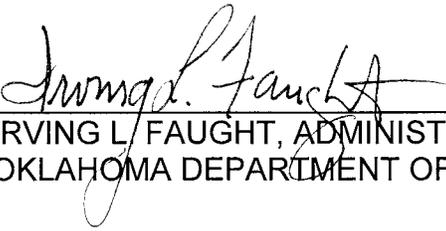
The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities ("Administrator").
2. That the Administrator issued a *Final Order* ("Order") pursuant to § 1-411 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011).
3. That the Administrator has received service of process on behalf of Respondents, pursuant to § 1-611 of the Act.
4. That a copy of the Order is being sent this 21st day of February, 2012, by certified mail, return receipt requested, delivery restricted to addressee, to the last known address of the Respondents, in compliance with § 1-611 of the Act.
5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with § 1-611 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 21st day of February, 2012.

(SEAL)



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

Subscribed and sworn to before me this 21st day of February, 2012.

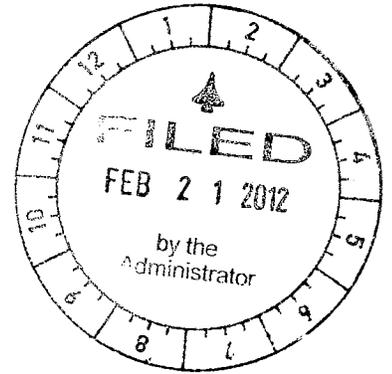
(SEAL)


BRENDALONDON
Notary Public
State of Oklahoma
Commission # 05609046 Expires 09/28/13



BRENDALONDON, NOTARY PUBLIC

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



In the Matter of:

The Vernon Group, LLC (CRD 129496), and
Ronald David Vernon (CRD 4729523),

Respondents.

ODS File No. 12-021

FINAL ORDER

The Administrator of the Oklahoma Department of Securities ("Department") issues this Order pursuant to § 1-411 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), and 660:2-9-8 of the Rules of the Oklahoma Securities Commission and the Administrator of the Oklahoma Department of Securities ("Rules"), Okla. Admin. Code, 660:1-1-1 through 660:25-7-1.

Findings of Fact

1. On January 26, 2012, the Enforcement Division of the Department, pursuant to § 1-602 of the Act and 660:2-7-1 of the Rules, filed with the Administrator of the Department ("Administrator") an *Enforcement Division Recommendation* ("Recommendation") seeking sanctions against the Respondents.
2. On January 26, 2012, the Administrator, in order to notify the Respondents of their obligation to file an answer and their right to request a hearing to show why a final order based on the Recommendation should not be issued: filed a *Notice of Opportunity for Hearing* ("Notice") pursuant to § 1-411 of the Act, and 660:2-9-1 of the Rules; filed a *Notice of Service on the Administrator and Affidavit of Compliance* ("Service on the Administrator") pursuant to § 1-611 of the Act; and sent the Recommendation, Notice and Service on the Administrator (collectively, the "Filings") via certified mail, return receipt requested, delivery restricted, to the Respondents' last known addresses.
3. The Filings were refused when mailed to the last known address for Ronald David Vernon and, on February 1, 2012, were returned to the Department. See *Exhibit "A"*.
4. The Filings went unclaimed when mailed to the last known address of The Vernon Group, LLC, ("Group") and, on February 7, 2012, were returned to the Department. See *Exhibit "A"*.

5. To date, Respondents have not filed an answer or requested a hearing in response to the Filings.

6. The Administrator hereby adopts, and includes herein by reference, the Findings of Fact set forth in the Recommendation.

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

Conclusions of Law

1. Pursuant to § 1-611 of the Act, the Respondents have been legally served.

2. Ronald David Vernon, at all times material hereto, controlled the Group and may be disciplined to the same extent as the Group in accordance with § 1-411.H of the Act.

3. Respondents have failed to promptly file a complete and correcting amendment to the Respondents' registration applications in violation of § 1-406.B of the Act.

4. Respondents have impeded the Examinations Division of the Department timely access to certain books and records thereby impeding the Administrator from conducting an audit or inspection in accordance with § 1-410 of the Act.

5. The Group has failed to make, keep current, preserve, and produce copies to the Department of the required accounts, correspondence, memoranda, papers, books and other records in violation of § 1-410 of the Act and 660:11-7-31 and 660:11-7-41 of the Rules.

6. Respondents have engaged in unethical practices in the securities business within the previous ten (10) years, in violation of 660:11-7-42 of the Rules, by failing to promptly file a complete and correcting amendment to Respondents' Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Advisers Form and Uniform Application for Securities Industry Registration or Transfer form, by failing to disclose conflicts of interests and material terms in their advisory contracts.

7. Respondents failed to furnish to each advisory or prospective advisory client a written disclosure statement in accordance with, and in violation of, 660:11-7-43 of the Rules.

8. The Administrator is authorized, pursuant to § 1-411 of the Act, to revoke the Respondents' registrations and impose a civil penalty upon each Respondent.

9. It is in the public interest for the Administrator to issue an order revoking the Respondents' registrations and imposing a civil penalty upon each Respondent in accordance with § 1-411.B and C 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.

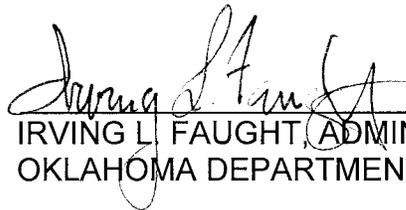
ORDER

IT IS HEREBY ORDERED that the investment adviser registration of The Vernon Group, LLC, and the investment adviser representative registration of Ronald David Vernon, respectively, are revoked.

IT IS FURTHER ORDERED that a civil penalty, in the amount of Twelve Thousand Five Hundred Dollars (\$12,500), is imposed on each Respondent. The civil penalty shall be due upon the re-application by each Respondent for registration, in any capacity, under the Act or any successor to the Act.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 21st day of February, 2012.

(SEAL)



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

CERTIFICATE OF SERVICE

Pursuant to 660:2-9-8 of the Rules, the undersigned hereby certifies that on the 21st day of February, 2012, a true and correct copy of the above and foregoing *Final Order* was mailed, by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

The Vernon Group, LLC
201 A Street North East
Ardmore, OK 73401

Ronald David Vernon
33 Ridgeview Road
Ardmore, OK 73402-1925



Brenda London
Paralegal