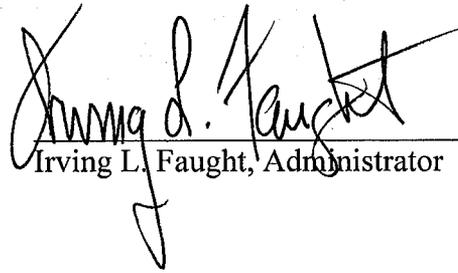


Dated this 24th day of August, 2005.

(SEAL)

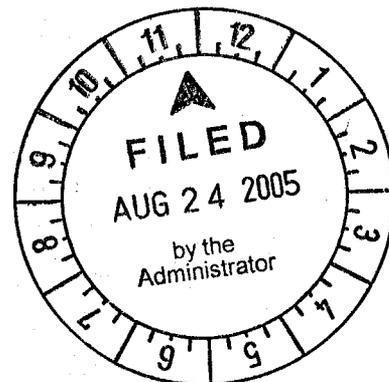

Irving L. Faught, Administrator

Subscribed and sworn to before me this 24 day of August, 2005.


Brenda S. London
Notary Public

My Commission Expires: August 26, 2005
My Commission No.: 01013792
SEAL

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



In the Matter of:

Marcia Vallee,

Respondent.

ODS File No. 05-016

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act, Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 & Supp. 2003), and Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), the Administrator of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of Marcia Vallee in connection with the offer and/or sale of securities in and/or from the state of Oklahoma.

2. On the 24th day of August, 2005, the attached Enforcement Division Recommendation (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 1-604 of the Act, the Administrator hereby gives notice to Respondent of her right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The request for a hearing on the Recommendation must be received by the Administrator within twenty (20) days after service of this Notice. Failure to request a hearing as provided for herein shall result in the issuance of an order directing Respondent to cease and desist the offer and sale of unregistered securities in and/or from the state of Oklahoma; making untrue statements of material fact in connection with the offer and/or sale of securities in and/or from the state of Oklahoma; and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, and to pay civil penalties in the sum of Five Thousand Dollars (\$5,000).

5. The request for hearing shall be in writing and Respondent shall specifically admit or deny each allegation in said request as required by 660:2-9-2 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within ninety (90) days or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondent not less than forty-five (45) days in advance thereof pursuant to 660:2-9-2(c) of the Rules. Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 24 day of August, 2005.

(SEAL)



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

CERTIFICATE OF MAILING

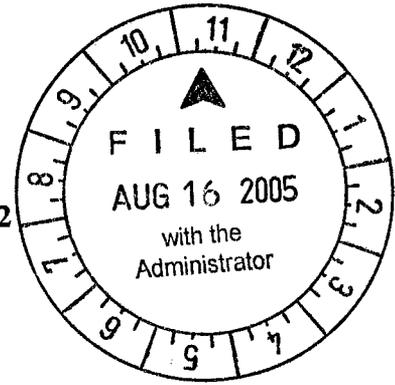
The undersigned hereby certifies that on the 24 day of August, 2005, a true and correct copy of the above and foregoing Notice of Opportunity for Hearing and attached Enforcement Division Recommendation was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Marcia Vallee
P.O. Box 225
Sulphur, OK 73086



Brenda London
Paralegal

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



In the Matter of:

Marcia Vallee,

Respondent.

ODS File No. 05-016

ENFORCEMENT DIVISION RECOMMENDATION

Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), and Section 405 of the Oklahoma Securities Act (Predecessor Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 & Supp. 2003), the Oklahoma Department of Securities (Department) conducted an investigation into the activities of Marcia Vallee (Vallee) to determine whether certain violations of the Act, the Predecessor Act, and/or the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules) may have occurred.

Based thereon, the following Findings of Fact, Authorities, and Conclusions of Law are submitted to the Administrator of the Department (Administrator) in support of the issuance of an order to cease and desist.

Findings of Fact

1. Respondent, an individual, is a licensed dental hygienist in the state of Oklahoma.
2. At all times material hereto, Respondent was employed as a dental hygienist in a dental office (Dentist's Office) in Pauls Valley, Oklahoma.
3. At all times material hereto, Respondent was not registered in any capacity under the Predecessor Act or the Act.
4. From January 1, 2002 until May 31, 2004, Respondent offered and sold shares of stock and investment contracts (Contracts) to at least seven Oklahoma investors [hereinafter referred to collectively as "Investors" and individually as "Investors A&B", "Investor C", "Investor D", "Investor E", "Investor F", and "Investor G"]. Under her agreement with the Investors, Respondent was to make all investment decisions and trades on their behalf.

5. Investors A&B. Respondent was a long-time family friend of Investors A&B, a married couple. While Investors A&B were at the Dentist's Office in early 2002, Respondent told them that she had been making money for her friends by investing their money. Respondent told Investors A&B that she had tripled the money of a secretary at the Dentist's Office. Respondent offered to make investments on behalf of Investors A&B. Investors A&B gave Respondent \$3,000 in cash with which Respondent was to open an account at Datek in the name of Investors A&B. While their account was being opened, Respondent told Investors A&B that she was trading their \$3,000 in her own Datek account but for their benefit. Once Investors A&B's account was opened, Respondent was supposed to move their investments from her account to their Datek account. After Investors A&B's account was opened, no cash or securities were transferred from Respondent's account to their account. Investors A&B's Datek account was never funded. To date, Investors A&B have not received any profit on their investment or the return of their principal.

6. Investor C. Respondent was also a long-time family friend of Investor C, a widow with no prior investment experience. While Investor C was at the Dentist's Office in early 2002, Respondent offered to invest Investor C's money for her. On February 18, 2002, Investor C gave Respondent a personal check in the amount of \$3,000 for Respondent to invest on her behalf. Respondent represented to Investor C that her money would be pooled together with the money of other investors and used to buy shares of stock in InVision Technologies, Inc. (InVision). Subsequently, Respondent gave Investor C the option of withdrawing her principal and the purported profit from the pool or reinvesting the principal and purported profit. Investor C chose to reinvest. Investor C has been unable to contact Respondent since July 9, 2004. To date, Investor C has not received any profit on her investment or the return of her principal.

7. Investor D. Respondent and Investor D had a personal relationship that began as late as 1991. Sometime in 2002 or 2003, Respondent offered to make investments on behalf of Investor D. Investor D gave Respondent \$5,000 to deposit in a Datek account. Respondent purportedly invested Investor D's money in shares of stock in Ebay, Inc. (Ebay). Subsequently, Respondent sold the shares of Ebay, withdrew the proceeds, and kept the proceeds. Investor D has not received any profit on her investment or the return of her principal.

8. Investor E. Respondent worked with Investor E at the Dentist's Office until April 2004. In early 2003, Respondent offered Investor E the opportunity to invest \$3,000 as part of an "investment club." Respondent represented to Investor E that her principal would be pooled with other investors' money to buy shares of stock in Ebay and InVision and that in three weeks Investor E would receive \$4,500, consisting of her principal plus \$1,500 in profit. In early 2003, Investor E invested \$3,000 with Respondent. In February 2004, Respondent paid Investor E the amount of her principal plus \$1,100 after Respondent's employer intervened.

9. Investor F. Investor F was a patient at the Dentist's Office. On January 23, 2004, Respondent called Investor F and offered her the opportunity to invest \$10,000 as part of an "investment group." On January 23, 2004, Investor F invested \$10,000. On February 9, 2004, Respondent showed Investor F a print out from the website of "Yahoo! Finance" that reflected that the investment group was making a profit. Respondent asked Investor F to invest an

additional \$3,000. On February 13, 2004, Investor F gave Respondent an additional \$3,000 to invest. Respondent asked Investor F to invest an additional \$2,000. On February 27, 2004, Investor F invested an additional \$2,000. Respondent told Investor F that she would make the money needed to pay for her daughter's dental expenses. On July 7, 2004, Investor F filed a police report alleging that Respondent committed fraud. Shortly thereafter, Respondent's brother-in-law paid Investor F \$15,000 as a return of her principal.

10. Investor G. Investor G was also a patient at the Dentist's Office. At the Dentist's Office in May 2004, Respondent told Investor G that by investing \$5,000 as part of an "investment group" she would make enough money to pay for her braces in three months. Respondent told Investor G that her money would be invested in shares of Ebay and InVision. On May 27, 2004, Respondent told Investor G that she could get her in the "investment group," but that she had to have the money that day. Investor G gave Respondent a cashier's check in the amount of \$4,000 on May 27, 2004. On the same day, Respondent cashed the cashier's check at IBC Bank, depositing \$3,000 into her personal checking account. On May 28, 2004, Respondent withdrew \$680 from the account via an ATM. A couple of days later, Investor G gave Respondent a second cashier's check in the amount of \$1,000. On June 1, 2004, Respondent deposited that cashier's check into the same checking account and withdrew another \$680 via an ATM. On July 2, 2004, Respondent returned Investor G's principal to her.

11. The Contracts sold to the Investors were not registered pursuant to Section 301 of the Predecessor Act and no claim of an exemption from registration was filed with the Administrator.

12. Respondent made untrue statements of material fact to the Oklahoma investors in connection with the offer and sale of the Contracts including, but not limited to, the following:

- a. that Investors A&B's investment would be transferred from Respondent's Datek account to their Datek account once their Datek account was opened;
- b. that Investor E would receive \$4,500 three weeks after making her investment;
- c. that Investor F would make the money needed to pay her daughter's dental expenses; and
- d. that Investor G would make enough money to pay for her braces in three months if she invested \$5,000 as part of an "investment group."

13. Respondent omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made not misleading to investors in connection with the offer, sale and purchase of the Contracts including, but not limited to, the following:

- a. that the Contracts are securities;

- b. that the Contracts were not registered as securities under the Predecessor Act nor were they exempt from registration;
- c. that there was substantial risk to the Investors' principal;
- d. that Investors A&B, Investor C, and Investor D would not receive any return on their investment and their principal would not be returned to them;
- e. that previous Investors had lost their principal and received no return on their investment; and
- f. that some or all of the Investors' principal would not be invested for the Investors' benefit, if invested at all.

Authorities

1. Section 1-701(A) of the Act provides:

The predecessor act exclusively governs all actions or proceedings that are pending on the effective date of this act or may be instituted on the basis of conduct occurring before the effective date of this act, but a civil action may not be maintained to enforce any liability under the predecessor act unless instituted within any period of limitation that applied when the cause of action accrued or within five (5) years after the effective date of this act, whichever is earlier.

2. Section 2 of the Predecessor Act provides in pertinent part:

(v) "Security" means any:

* * *

(2) stock;

* * *

(11) investment contract[.]

3. Section 101 of the Predecessor Act provides:

It is unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly

(1) to employ any device, scheme, or artifice to defraud,

(2) to make any untrue statement of material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading,

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

4. Section 301 of the Predecessor Act provides:

It is unlawful for any person to offer or sell any security in this state unless:

(1) it is registered under this act or the security or transaction is exempted under Section 401 of this title; or

(2) it is a federal covered security.

5. Section 405 of the Predecessor Act provides in part:

(a) The Administrator in his discretion:

(1) may make such public or private investigations within or outside of this state as he deems necessary to determine whether any person has violated or is about to violate any provision of this act or any rule or order hereunder, or to aid in the enforcement of this act or in the prescribing of rules and forms hereunder[.]

6. Section 406 of the Predecessor Act provides in pertinent part:

(a) If the Administrator reasonably believes, whether or not based upon an investigation conducted under Section 405 of this title, that a person has violated the Oklahoma Securities Act, except under the provisions of Section 202.1 or 305.2 of this title, or a rule or order of the Administrator under the Oklahoma Securities Act or has engaged in dishonest or unethical practices in the securities business, the Administrator, in addition to any specific power granted by any other section of the Oklahoma Securities Act, may impose one or more of the following sanctions:

(1) issue an order against the person to cease and desist from engaging in such violation or dishonest or unethical practices or doing any act in furtherance thereof;

* * *

(5) issue an order against a person who willfully violates the Oklahoma Securities Act or a rule or order of the Administrator under the Oklahoma Securities Act, imposing a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or transaction or of Fifty Thousand Dollars (\$50,000.00) for multiple violations or transactions in a single proceeding or a series of related proceedings.

7. Section 1-604 of the Act provides in pertinent part:

A. If the Administrator determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice or that a person has materially aided, is materially aiding, or is about to materially aid an act, practice, or course of business constituting a violation of the act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice, the Administrator may:

1. Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary or appropriate to comply with this act[.]

* * *

D. In a final order under subsection C of this section, the Administrator may impose a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or up to Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations in a single proceeding or a series of related proceedings.

Conclusions of Law

1. The shares of stock and Contracts sold to Investors are securities as defined by subsection (v) of Section 2 of the Predecessor Act.

2. Respondent offered and sold unregistered securities in and/or from the state of Oklahoma, in violation of Section 301 of the Predecessor Act.

3. Respondent made untrue statements of material fact, in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, in violation of subsection (2) of Section 101 of the Predecessor Act.

4. Respondent omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, in violation of subsection (2) of Section 101 of the Predecessor Act.

5. Respondent engaged in an act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, in violation of subsection (3) of Section 101 of the Predecessor Act.

6. The Administrator has the authority to order Respondent to cease and desist from engaging in an act, practice, or course of business constituting a violation of the Predecessor Act and/or the Act.

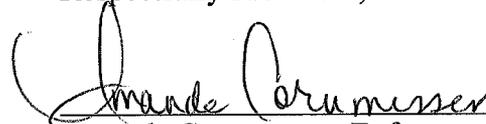
7. It is in the public interest to order Respondent to cease and desist from engaging in an act, practice, or course of business constituting a violation of the Act.

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

WHEREFORE, it is recommended that the Administrator issue an order directing Respondent to cease and desist the offer and sale of unregistered securities in and/or from the state of Oklahoma; making untrue statements of material fact in connection with the offer and/or sale of securities in and/or from the state of Oklahoma; and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, and to pay civil penalties in the sum of Five Thousand Dollars (\$5,000).

Dated this 16th day of August, 2005.

Respectfully submitted,


Amanda Cornmesser, Enforcement Attorney
Terra Shamas, Legal Intern