

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
21ST CENTURY PAY COMMUNICATIONS, INC.,
FIRST CALL TELEPHONE COMPANY, INC., HAPJACK
MARKETING, INC., PARTNERS INVESTMENT
NETWORK, INC., L. ROBERT MARTIN, JR.,
MARY MOXLEY, HAROLD P. COFFIN,
PAUL FERROGGIARO, CLIFFORD GOEHRING,
CLAUDE D. SMITH, BRIAN T. GRIGGS,
DAVID D. FARRELL, JOHN STEELE, RONDA K. JENKINS,
SHERRY CUTHBERT, MARCUS C. KANAHELE, JIM KIME,
and RONALD J. BEYER,

PETITION FOR ORDER

Respondent.

File No. S-01078(EX)

The staff of the Enforcement Unit, Bureau of Registration & Enforcement, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. 21st Century Pay Communications, Inc. ("21st") is a foreign business entity with a last known business address of 3649 W. Beechwood Ave., Ste. 103, Fresno, CA 93711.
2. First Call Telephone Company, Inc., ("First") is a foreign business entity with last known business addresses of 3649 W. Beechwood Ave., Ste. 103, Fresno, CA 93711 and 4057 W. Shaw Ave., Ste 104, Fresno, CA 93722..
3. Hapjack Marketing, Inc. ("Hapjack") is a foreign business entity with a last known business address of 3649 W. Beechwood Ave., Ste. 103, Fresno, CA 93711
4. Partners Investment Network, Inc. ("PINI") is a foreign business entity with a last known business address of 2300 Palm Beach Lakes Blvd., #305, West Palm Beach, FL 33409.
5. L. Robert Martin, Jr. (DOB 6/13/30) ("Martin") is an individual who at all times material hereto has been a principal and controlling person of 21st and First, with a last known business address at that of 21st.
6. Mary Moxley ("Moxley") is an individual who at all times material hereto has been a principal and controlling person of 21st and First, with a last known business address at that of 21st.
7. Harold P. Coffin (DOB 4/14/41) ("Coffin") is an individual who at all times material hereto has been an officer and controlling person of 21st, with a last known business address at that of 21st.
8. Paul Ferroggiaro ("Ferroggiaro") is an individual who at times material hereto has been President of First, with a last known business address at that of First.

9. Clifford Goehring (DOB 1/18/29) (“Goehring”) is an individual who at times material hereto has been President of First, with a last known business address of Paystar Communications Corporation, 1110 W. Kettleman La., #48, Lodi, CA 95240.

10. Claude D. Smith (“Smith”) is an individual who at all times material hereto has been a principal and controlling person of Hapjack, with a last known business address at that of Hapjack.

11. Brian T. Griggs (DOB 8/12/59) is an individual who at all times material hereto has been a principal and controlling person of Hapjack, with a last known business address at that of Hapjack.

12. David D. Farrell (DOB 4/22/57) (“Farrell”) is an individual who at a period of time material hereto was the Director of Marketing of 21st and Hapjack, with a last known business address at that of 21st.

13. John Steele (“Steele”) is an individual who at a period of time material hereto was the Director of Marketing of 21st and Hapjack, with a last known business address at that of 21st.

14. Ronda K. Jenkins (DOB 10/3/63) (“Jenkins”) is an officer and controlling person of PINI, with a last known business address at that of PINI.

15. Sherry Cuthbert (“Cuthbert”) is an individual who at all times material hereto has been an officer and controlling person of PINI, with a last known business address at that of PINI.

16. Marcus C. Kanahale (CRD #1337725; DOB 11/16/53) (“Kanahale”) is an individual who at times material hereto has been a group manager of PINI, with a last known business address of Pacific Marketing Network, LLC, 224 Datura St., Ste. 513, West Palm Beach, FL 33401.

17. Jim Kime (“Kime”) is an individual who at times material hereto has been a group manager of PINI, with a last known business address of 1035 S. Simmeron Blvd., Orlando FL

18. Ronald J. Beyer (CRD #1522822; DOB 4/11/48) (“Beyer”) is an individual who at all times material hereto has been an agent of 21st, First, Hapjack and PINI, with a last known business and residence address of 2950 Millice Ave., Billings, MT 59102.

19. During the period of at least April 1998 to December 1999, Beyer, on behalf of 21st, First, Hapjack, PINI, Martin, Smith, Moxley, Griggs, Ferrogiaro, Goehring, Coffin, Farrell, Steele, Jenkins, Cuthbert, Kanahale, and Kime, offered and sold to at least six persons in Wisconsin investment interests in payphones.

20. The payphones and contracts to fully service them are sold as a package, with the investors receiving a share of the profits.

21. Upon information and belief, this is an investment in a common enterprise with the expectation of profit to be derived through the essential managerial efforts of someone other than the investor.

22. The payphone investments offered and sold by the Respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats..

23. The investment contracts described above have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

24. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities in Wisconsin.

25. In connection with the offers of the securities described above, PINI transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.

26. At no time has PINI been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.

27. Respondent PINI has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.

28. In connection with the offers of the securities described above, Beyer transacted business in Wisconsin as "agent" for 21st, First, Hapjack, PINI, Martin, Smith, Moxley, Griggs, Ferroggiaro, Goehring, Coffin, Farrell, Steele, Jenkins, Cuthbert, Kanahale, and Kime, as that term is defined by sec. 551.02(2), Wis. Stats.

29. At no time has Beyer been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.

30. Beyer has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.

31. First, 21st, Hapjack, PINI, Martin, Smith, Moxley, Griggs, Ferroggiaro, Goehring, Coffin, Farrell, Steele, Jenkins, Cuthbert, Kanahale, and Kime have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

32. On December 8, 1994, the State of Missouri issued a Cease and Desist Order against Jenkins, based on allegations of securities law violations.

33. On March 26, 1998, the State of Alabama issued a Cease and Desist Order against PINI, based on allegations of securities law violations.

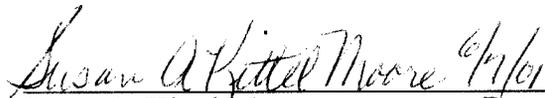
34. On October 28, 1999 the State of California issued Administrative Orders against Smith, based on allegations of securities law violations.

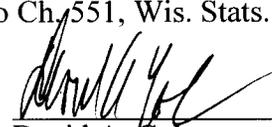
35. On February 8, 2000, the State of California issued a Desist and Refrain Order against 21st and Martin based on allegations of securities law violations.

36. On October 12, 2000, the Sacramento (California) Superior Court issued a Preliminary Injunction (Docket # AS00776) against Hapjack, Smith, Griggs, Farrell, and Coffin based on allegations of securities law violations, including fraud.

37. On November 8, 2000, the State of Maryland issued Orders permanently barring 21st, First, Hapjack, Smith, Martin, and Moxley from the securities and investment advisory business in Maryland, based on allegations of securities law violations.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.


Susan A. Kittel Moore Date
Legal Assistant
Enforcement Unit

 6/8/01
David A. Cohen Date
Supervising Attorney
Enforcement Unit