

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

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In the Matter of  
M.A.C. INVESTMENTS, INC., M.A.C. INVESTMENT  
SALES, INC., MARICRUZ ALVARADO, and  
KEVIN POLARDI,

PETITION FOR ORDER

Respondents.

File No. S-05009(EX)

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

1. M.A.C. Investments, Inc. ("M.A.C.") is a foreign business entity with a last known business addresses of PO Box 26222, Tempe, AZ 85285, and former addresses of 925 W. Baseline Rd., Ste. 105-C, Tempe, AZ 85283, which is that of a rented mailbox, and 604 W. Wesleyan Dr., Tempe, AZ 85282, which is non-existent.
2. M.A.C. Investment Sales, Inc. ("M.A.C. Sales") is a foreign business entity with a last known business address of 925 W. Baseline Rd., Ste. 105-C, Tempe, AZ 85283, which is that of a rented mailbox.
3. Maricruz Alvarado ("Alvarado") is an individual who at all times material hereto has been an owner and Vice President of M.A.C. and the principal and controlling person of M.A.C. Sales, with a last known business address at that of M.A.C. Sales and a last known home address of 2645 E. Nancy Ln., #B, Phoenix, AZ 85040.
4. Kevin Polardi ("Polardi") is an individual who at all times material hereto has been an owner and President of M.A.C., with a last known business address at that of M.A.C Sales.
5. During the period of 2003 and 2004, Polardi and Alvarado, on behalf of M.A.C., M.A.C. Sales, and themselves, offered and sold to at least eleven persons in Wisconsin investments in automatic teller machines with accompanying management contracts marketed as "business opportunities."
6. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.
7. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the "business opportunities" 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.
8. The investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
9. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities in Wisconsin.

- 10. The offering materials of M.A.C. received by persons in Wisconsin included a document entitled "Information for Prospective Business Opportunity Purchasers Required by the Federal Trade Commission" which states

Kevin Polardi is President of MAC Investments and is a director and sole stock holder. His work history as follows: 1993-present: President of \*MAC Investments [sic]

and

MAC Investments . . .has commenced selling a business of the type to be operated on or about 09/24/1993.

- 11. The annual report for M.A.C. filed with the Arizona Corporation Commission on January 16, 2004, states that Polardi became President and Alvarado became Vice President of M.A.C. on October 27, 2003.
- 12. The annual reports for M.A.C. filed with the Arizona Corporation Commission from 1996 through 2003 state the business of M.A.C. to be that of real estate.
- 13. All Respondents have violated sec. 551.41(2), Wis. Stats., by making an untrue statement of a material fact in connection with the offer and sale of securities to persons in Wisconsin.
- 14. As of January 2005, all phones previously used by the respondents have been disconnected, and all payments to investors have ceased.
- 15. On February 15, 2005, the State of Arizona Corporation Commission issued a Temporary Order to Cease and Desist against the Respondents, based on allegations of securities law violations, including fraud.

Therefore, the staff of the Bureau of Registration & Enforcement 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 3/16/05  
 Susan A. Kittel Moore Date  
 Securities Examiner  
 Bureau of Registration & Enforcement

David A. Cohen 3/18/05  
 David A. Cohen Date  
 Supervising Attorney  
 Bureau of Registration & Enforcement