

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

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In the Matter of  
MARTIN R. MINCER, JEFFREY C.  
HOYT, RONALD B. STOGNER, JOHN  
RAWLINS and Highbury Capital, Inc.,

PETITION FOR ORDER  
(SUMMARY)

Respondents.

File No. S-99184(EX)

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The staff of the Bureau of Registration and 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. Martin R. Mincer (“Mincer”) is an individual, with a last known business address of 146 Halstead Street, Suite 204, Rochester, NY
2. Jeffrey C. Hoyt (“Hoyt”) is an individual, with a last known business address of 146 Halstead Street, Suite 204, Rochester, NY 14610.
3. Ronald B. Stogner (“Stogner”) is an individual, with a last known business address of 146 Halstead Street, Suite 204, Rochester, NY 14610.
4. John Rawlins (“Rawlins”) is an individual, with a last known business address of 146 Halstead Street, Suite 204, Rochester, NY
5. Highbury Capital, Inc. (“Highbury”), is a foreign business entity, with a last known business address of 146 Halstead Street, Suite 204, Rochester, NY 14610.
6. Mincer at all times material hereto has been President and CEO of Highbury.
7. Hoyt at all times material hereto has been a Vice President and Chief Operating Officer of Highbury .
8. Stogner at all times material hereto has been Business Manager of Highbury.
9. Rawlins at all times material hereto has been an agent of Highbury.
10. On or about June 22, 1999 Rawlins offered and sold to at least one person in Wisconsin the opportunity to invest in Inner Technologies Corporation (“ITC”), a web-based brokerage firm.
11. The Internal Memorandum and Private Offering Memorandum provided to the person in Wisconsin stated ITC is in the business of developing and acquiring information technology-

related products and businesses using its research and development resources, contract consultants and joint venture partners. ITC's offering materials state that ITC is offering 2,500,000 shares of common stock at \$2.00 per share for an aggregate offering of \$5,000,000.

12. The common stock offered and sold to the person in Wisconsin is a "security" as that term is defined in sec. 551.02(13)(a), Wis. Stats.

13. The security described in paragraphs 11 above has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

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

15. The offering materials provided to the Wisconsin resident failed to disclose the material fact that Hoyt was the subject of an Indiana Summary Order to Cease and Desist issued on February 19, 1998.

16. The Summary Order listed in Item 15 above was issued in connection with the offer and sale of unregistered securities by unregistered agents using dishonest and unethical business practices.

17. Respondents have violated sec. 551.41(2), Wis. Stats., by omitting 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.

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

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

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

21. In connection with the offer of the securities described above, Rawlins transacted business in Wisconsin as an "agent" for Highbury, Mincer, Hoyt and Stogner, as that term is defined by sec. 551.02(2), Wis. Stats.

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

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

24. Highbury, Mincer, Hoyt and Stogner have violated sec. 551.31 (2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

