

State of Missouri  
Office of Secretary of State

Case No. AP-06-33

IN THE MATTER OF:

EDWARD CONNER; DAVID J. REISNER;  
PERFORMANCE FINANCIAL SERVICES,  
INC.; NETWORK SERVICES, INC. aka  
NETWORK SERVICES DEPOT, INC. aka  
NETWORK SERVICES DISTRIBUTION,  
INC.; and 360 WIRELESS, INC.,

*Respondents.*

Serve:

Edward Conner and David J. Reisner at:  
Kevin T. Lake  
Lake, Gantz, Lake and Price, L.L.C.  
7777 Bonhomme Avenue, Suite 1501  
Saint Louis, Missouri 63105

Performance Financial Services, Inc., at:  
3610 Shady Bend Drive  
Independence, Missouri 64052

Network Services, Inc., at:  
3000 E. Birch Street, Suite 105  
Brea, California 92821

360 Wireless, Inc., at:  
1370 West San Marcos Boulevard, #100  
San Marcos, California 92069

**FINAL ORDER TO CEASE AND DESIST AS TO RESPONDENTS CONNER AND  
REISNER AND ORDER IMPOSING CIVIL PENALTIES AND RESTITUTION**

On the 22nd day of March, 2007, the Enforcement Section of the Securities Division, by and through Mary S. Hosmer, Assistant Commissioner, and Kevin T. Lake, counsel for Respondents Edward Conner and David Reisner, submitted a Petition for Final Order to Cease and Desist as to Respondents Conner and Reisner and Consent to Imposition of Costs, Penalties and Restitution (the "Petition"). After reviewing the Petition, the Missouri Commissioner of Securities Matt Kitzi issues the following Final Order imposing civil penalties, costs, and restitution obligations:

**PROCEDURAL BACKGROUND**

1. On September 28, 2006, the Missouri Commissioner of Securities issued an Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed, Order AP-06-33.
2. On November 3, 2006, Kevin T. Lake, as counsel for Respondent Conner, requested a hearing in this matter.
3. On December 4, 2006, Kevin T. Lake, as counsel for Respondent Reisner, requested a hearing in this matter.
4. No other Respondents requested a hearing in this matter.
5. On December 11, 2006, a pre-hearing conference in this matter was held. Assistant Commissioner Mary Hosmer appeared in person on behalf of the Enforcement Section. Kevin T. Lake appeared by telephone as counsel for and on behalf of Respondents Conner and Reisner.
6. On December 20, 2006, Mary Hosmer and Kevin T. Lake met with the Commissioner for a brief status conference to discuss this matter. The parties indicated that they would submit a proposed Final Order for the Commissioner's consideration prior to the scheduled hearing in this matter.
7. On motion of the parties, the hearing in this matter was continued on January 5, 2007, and again on February 5, 2007.

8. In the Petition filed March 5, 2007, Respondents Conner and Reisner, without admitting liability, consented not only to the entry of a final order and the imposition of certain penalties, as described below, but also specifically to entry of an order by the Commissioner of Securities obligating and requiring them to make certain restitution payments.
9. In the Petition filed March 5, 2007, the Enforcement Section requested, and Respondents Conner and Reisner consented to, among other things:
  - a. the issuance of a Final Order to Cease and Desist in this matter as to Respondents Conner and Reisner;
  - b. the imposition of a civil penalty against each of Respondent Conner and Respondent Reisner for violations of Sections 409.3-301, 409.4-401, and 409.5-501, RSMo. (Cum. Supp. 2005), subject to the suspension of such penalty conditioned upon each Respondent's compliance with other obligations in the requested and consented to relief;
  - c. the imposition of a restitution order requiring Respondents Conner and Reisner to pay restitution in the total amount of twenty thousand dollars (\$20,000) to a Missouri resident; and
  - d. the imposition of an order establishing the agreement and obligation of Respondents Reisner and Conner to cooperate with the Division's investigation in this matter and to provide information and discovery relating to the subject matter of this investigation.
10. Respondent Conner was a respondent in the September 19, 2003, Cease and Desist Order in *In the Matter of Trinity Financial Group, LLC, et al.*, Missouri Securities Division Order Number 03-15, issued by the Commissioner of Securities, which ordered Respondent Conner to cease violations of Missouri securities laws related to: a) transacting business as an unregistered broker-dealer agent; b) the sale of unregistered, non-exempt securities; and c) unlawful omissions in connection with the sale of securities.

## ORDER

**NOW, THEREFORE**, it is hereby ordered that:

- A. The Cease and Desist Order entered in Case Number AP-06-33 on September 28, 2006, is **FINAL** as to Respondents Conner and Reisner.
- B. Pursuant to Section 409.6-604(d), RSMo., Respondent Conner shall pay, subject to paragraph F, below, the sum of twenty thousand dollars (\$20,000) to the State of Missouri as civil penalties for multiple violations of Sections 409.3-301, 409-4.401, and 409.5-501, RSMo. (Cum. Supp. 2005). This amount shall be sent to the Secretary of State and made payable to the State of Missouri, and the Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondents shall deliver this payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- C. Pursuant to Section 409.6-604(d), RSMo., Respondent Reisner shall pay, subject to paragraph G, below, the sum of ten thousand dollars (\$10,000) to the State of Missouri as civil penalties for multiple violations of Sections 409.3-301, 409-4.401, and 409.5-501, RSMo. (Cum. Supp. 2005). This amount shall be sent to the Secretary of State and made payable to the State of Missouri, and the Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondents shall deliver this payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102.
- D. As agreed upon and consented to by Respondent Conner in the Petition, Respondent Conner shall pay thirteen thousand dollars (\$13,000) in restitution for the benefit of the aggrieved Missouri investor listed in Exhibit 1 hereto. Respondent Conner shall satisfy this ordered restitution by paying one hundred fifty dollars (\$150) on the first day of each month, beginning on May 1, 2007, and continuing until April 1, 2008, and thereafter Respondent Conner shall pay five hundred dollars (\$500) on the first day of each month, beginning on May 1, 2008, and shall pay this latter monthly amount until the entire ordered restitution amount in this Paragraph D is paid in full. Each of Respondent Conner's monthly payments shall be sent to the Secretary of State and made payable to the Missouri Investor Restitution Fund. Respondent Conner shall deliver each payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102. If Respondent Conner fails to make any payment described in this Paragraph D, the full amount remaining shall be immediately due and payable after five days notice to cure, and if any amount remains unpaid after such five-day cure period, the Commissioner may refer this matter for enforcement as provided in Sections 409.6-603 and 409.6-604, RSMo. (Cum. Supp. 2005).
- E. As agreed upon and consented to by Respondent Reisner in the Petition, Respondent Reisner shall pay seven thousand dollars (\$7,000) in restitution for the benefit of the aggrieved Missouri investor listed in Exhibit 1 hereto. Respondent Reisner shall satisfy this ordered restitution by paying five hundred dollars (\$500) on the first day of each month, beginning on May 1, 2007, and continuing thereafter until the entire ordered restitution amount in this Paragraph E is paid in full. Each of Respondent Reisner's monthly payments shall be sent to the Secretary of State and made payable to the Missouri Investor Restitution Fund. Respondent Reisner shall deliver each payment to the Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, Missouri 65102. If Respondent Reisner fails to make any payment described in this Paragraph E, the

full amount remaining shall be immediately due and payable after five days notice to cure, and if any amount remains unpaid after such five-day cure period, the Commissioner may refer this matter for enforcement as provided in Sections 409.6-603 and 409.6-604, RSMo. (Cum. Supp. 2005).

- F. Respondent Conner's obligation to make the civil penalty payment described in Paragraph B, above, is hereby suspended provided and on the condition that Respondent Conner complies in full with each part of this Order including, without limitation, the ordered restitution payment obligations described in Paragraph D, above. Upon full satisfaction of the obligations in Paragraph D, above, a portion of the civil penalties imposed against Respondent Conner in Paragraph B, above, eighteen thousand five hundred dollars (\$18,500), shall be waived; however, if Respondent Conner shall expedite his payment so that the ordered restitution amount is paid in full on or before October 1, 2009, nineteen thousand two hundred fifty dollars (\$19,250) shall be waived. Within ninety (90) days of the final timely restitution payment by Respondent Conner pursuant to paragraph B above, Respondent Conner shall pay one thousand five hundred dollars (\$1,500) as his full and final civil penalty, or if he expedites his payments pursuant to the preceding sentence, Respondent Conner shall pay seven hundred fifty dollars (\$750.00) as his full and final civil penalty. In the event that Respondent Conner fails to fully comply with any part of this Order including, without limitation, the restitution payment obligations described in Paragraph D, above, the suspended civil penalty payments described in Paragraph B, above, shall become immediately due and payable, under operation of law, and such immediately due and owed civil penalty payments shall be in addition to all other payment then due under this Order and in addition to all other penalties then available under the law.
- G. Respondent Reisner's obligation to make the civil penalty payment described in Paragraph C, above, is hereby suspended provided and on the condition that Respondent Reisner complies in full with each part of this Order including, without limitation, the ordered restitution payment obligations described in Paragraph E, above. Upon full satisfaction of the obligations in Paragraph E, above, a portion of the civil penalties imposed against Respondent Conner in Paragraph C, above, eight thousand five dollars (\$8,500), shall be waived; however, if Respondent Reisner shall expedite his payment so that the ordered restitution amount is paid in full on or before April 1, 2008, nine thousand two hundred fifty dollars (\$9,250) shall be waived. Within ninety (90) days of the final timely restitution payment by Respondent Reisner pursuant to paragraph C above, Respondent Reisner shall pay one thousand five hundred dollars (\$1,500) as his full and final civil penalty, or if he expedites his payments pursuant to the preceding sentence, Respondent Reisner shall pay seven hundred fifty dollars (\$750.00) as his full and final civil penalty. In the event that Respondent Reisner fails to fully comply with any part of this Order including, without limitation, the restitution payment obligations described in Paragraph E, above, the suspended civil penalty payments described in Paragraph C, above, shall become immediately due and payable, under operation of law, and such immediately due and owed civil penalty payments shall be in addition to all other payment then due under this Order and in addition to all other penalties then available under the law.
- H. Respondents Conner and Reisner agreed in the Petition to, and hereby shall, cooperate with the Division's investigation in this matter, and shall provide all reasonable information and comply with all reasonable discovery requests related to the investigation in this matter.
- I. This Order in no way dismisses or serves as a final resolution or order in this matter as it pertains to Respondents Performance Financial Services, Inc., Network Services, Inc., or 360 Wireless, Inc.
- J. This Order is in the public interest and is consistent with the purposes intended by the Missouri Securities Act of 2003.

### **SO ORDERED**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 18<sup>TH</sup> DAY OF APRIL, 2007.

ROBIN CARNAHAN  
SECRETARY OF STATE

### **CERTIFICATE OF SERVICE**

(Signed/Sealed)  
MATTHEW D. KITZI

I hereby certify that on this 18<sup>th</sup> day of April, 2007, copies of the foregoing FINAL ORDER COMMISSIONER OF SECURITIES TO CEASE AND DESIST AS TO RESPONDENTS CONNER AND REISNER AND ORDER IMPOSING CIVIL PENALTIES AND RESTITUTION, filed in the above styled case was **mailed by certified U.S. Mail, postage prepaid, to:**

Kevin T. Lake  
Lake, Gantz, Lake & Price, L.L.C.  
7777 Bonhomme Avenue, Suite 1501  
St. Louis, Missouri 63105  
Attorney for Edward Conner and David  
Reisner

Performance Financial Services, Inc.

3610 Shady Bend Drive  
Independence, Missouri 64052

Network Services, Inc.  
3000 E. Birch Street, Suite 105  
Brea, California 92821

360 Wireless, Inc.  
1370 West San Marcos Boulevard, #100  
San Marcos, California 92069

**And by hand-delivery to:**

Mary Hosmer  
Assistant Commissioner  
Securities Division

John Hale  
Specialist