

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF SOUTH CAROLINA**

IN THE MATTER OF:

Tony M. Fulmer,

Respondent.

**ORDER TO CEASE AND DESIST
File No. 14103**

WHEREAS, the Securities Division of the Office of the Attorney General of the State of South Carolina (the "Division") has been authorized and directed by the Securities Commissioner of South Carolina (the "Securities Commissioner") to administer the provisions of S.C. Code Ann. § 35-1-101, *et seq.*, the South Carolina Uniform Securities Act of 2005 (the "Act"); and

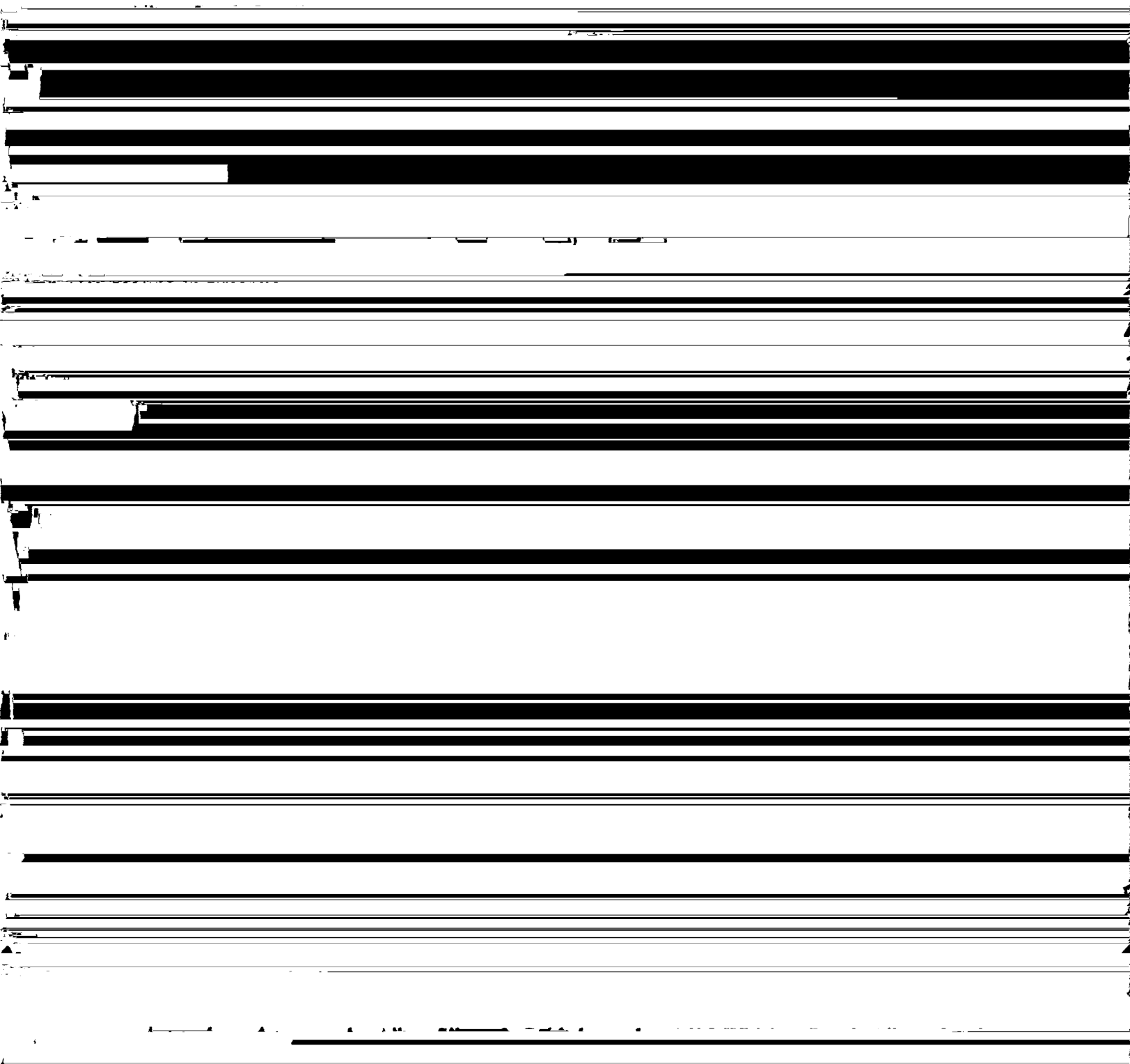
WHEREAS, the Division received information regarding alleged securities-related activities of Tony M. Fulmer (the "Respondent"), which, if true, would constitute violations of the Act; and

II. RESPONDENT

2. The Respondent is a resident of Edgefield County, South Carolina, with a last known mailing address of 258 Old Plank Road, Johnson, South Carolina 29832.

III. FINDINGS OF FACT

3. The Respondent was an employee of a contractor at the Savannah River Site,



11. In October, 2014, a complaint was received by the Division that the Respondent had received funds from investors, was promising an unusually high rate of return, and had begun general solicitations.

12. In reality, the investment opportunity was a Ponzi scheme, in which new investor funds went primarily to pay interest to other investors and there was not enough money to repay the initial investment of the investors.

13. The Respondent is not now, nor has he ever been, registered to sell securities.

14. When interviewed, the Respondent admitted that he had lost investor funds in trading in precious metals and had also used investor funds to make payments on his children's private school tuition, to pay for his daughter's dance lessons, to make a \$1,200.00 down payment on an all-terrain vehicle (ATV) for his son, to make one or more mortgage payments, and for other personal bills and purchases.

15. The Respondent also admitted that he had used money from investors to pay prior investors.

16. Further, the Respondent admitted that he has not told investors that their principal has been depleted and that renewal contracts he offers and which show funds allegedly held in

certificates of interest or participation in profit-sharing agreements, *inter alia*, constitute securities.

19. Pursuant to S.C. Code Ann. § 35-1-501, it is unlawful for a person in connection with the offer or sale of a security in this State: (1) to employ a scheme, device, or artifice to

22. The investment contracts offered by the Respondent constitute securities as defined by the Act.

23. In connection with his offer and sale of securities, the Respondent: (1) employed a

salesperson who was not a registered securities salesperson; (2) made untrue statements of material fact and omitted to

state material facts necessary in order to make the statements made in light of the circumstances

in which they were made, not misleading; and (3) engaged in an act, practice, or course of business that operated as a fraud or deceit upon another person.

b The Respondent pay a civil penalty in the amount of \$20,000 if this Order

and any local authority receiving this matter pay a civil penalty in an amount

Failure by the Respondent to file a written request for a hearing in this matter within the thirty-day (30) period stated above shall be deemed a waiver by the Respondent of the right to such a hearing. Failure of the Respondent to file an Answer, including a request for a hearing, shall result in this Order, including the stated civil penalties and any assessed costs, becoming

final as to the Respondent by operation of law.

This Order does not prevent the Division or any other law enforcement agency from seeking additional civil or criminal remedies as are available under the Act, including remedies

related to the offers and sales of securities by the Respondent set forth above.

ENTERED, this the 10th day of December, 2014.

ALAN WILSON
SECURITIES COMMISSIONER

By: Tracy Meyers
TRACY A. MEYERS
Deputy Securities Commissioner

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND
AFFIDAVIT OF COMPLIANCE
File Number 14103

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated

below and dated December 10, 2014, by serving a copy of said document upon the Securities Commissioner of