

**ADMINISTRATIVE PROCEEDING**

**BEFORE THE**

**IN THE MATTER OF:**

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)  
)  
)

**NOTICE OF INTENT TO SEEK  
THE REVOCATION OF  
INVESTMENT ADVISER AND**

**and Asset Preservation Specialists, )  
Inc., )**

**Respondents. )**

**INVESTMENT ADVISER  
REPRESENTATIVE REGISTRATIONS**

**File Number 09049**

## FACTUAL HISTORY

1. Rippy, at all times material herein, was a resident of South Carolina.
2. ~~Rippy at all times material herein maintained the business APS.~~

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3. APS is a South Carolina corporation, incorporated with the South Carolina Secretary of State in 2003.
4. Rippy is APS' registered agent with a registered address of 616 Bluff Pointe, Columbia, South Carolina 29212.
5. APS' principal business address at all times relevant herein was 121 Executive Center Drive, Suite 138, Columbia, South Carolina 29210.
6. At all times material herein, APS was registered with the Division as an Investment Adviser.
7. At all times material herein, Rippy was registered with the Division as an Investment ~~Adviser Representative of APS~~

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8. On or about June 22, 2009, Rippy met with representatives of the Division concerning advertisements and other issues regarding the registration documents for Rippy and APS. Specifically addressed in this meeting were the statutes and rules concerning advertisements and registration documents, and the Respondents' failure to comply with those statutes and rules.
9. At the meeting on June 22, 2009, it was agreed that Rippy, on behalf of herself and APS, would supply additional information concerning Respondents' business activities to the Division.

10. On or about August 11, 2009, the Division mailed a letter to Rippy at the office of APS, which detailed the items Rippy agreed to provide to the Division and asked that the items be provided to the Division by August 31, 2009.
11. On or about November 13, 2009, the Division mailed a second request to Rippy at the office of APS, again asking for Rippy to supply the items requested in the June 22, 2009, meeting and subsequent August 11, 2009, letter, as well as an additional item.
12. The additional item requested in the November 13, 2009, letter was information concerning an advertisement accompanying a "Perks Card" that was circulated to employees of the State of South Carolina by the South Carolina Department of Human Resources in September of 2009.
13. The statutes and rules governing advertisements by investment advisers, including

Rule 13-503 regarding advertising by investment advisers and other registered individuals, were specifically discussed at the meeting between Respondent Rippy

17. Moreover, S.C. Code Ann. § 35-1-411(d) provides that:

The records of . . . an investment adviser registered or required to be  
maintained under the Act are subject to such reasonable periodic review

censure, impose a bar, and/or impose a civil penalty in an amount not to exceed

\$10,000 for each violation as a registrant

23. Pursuant to S.C. Code Ann. § 35-1-412(g), an order may not be issued under that

(2) wilfully violated or wilfully failed to comply with this chapter or the predecessor chapter or a rule adopted or order issued under this chapter or the predecessor chapter within the previous 10 years; [or]

...  
(8) refuses to allow or otherwise impedes the Securities Commissioner from conducting an audit or inspection under Section 35-1-411(d) or refuses access to a registrant's office to conduct an audit or inspection under Section 35-1-411(d);

may be disciplined under S.C. Code Ann. § 35-1-412(a) or (c).

23. Pursuant to S.C. Code Ann. § 35-1-412(g), an order may not be issued under that section, except under S.C. Code Ann. § 35-1-412 (f), without:

NOW THEREFORE, the Division requests that the Commissioner grant the following relief against Respondents:

- a. Pursuant to S.C. Code Ann. § 35-1-412(c), permanently bar Respondents from conducting securities business in the state of South Carolina; and
- b. Pursuant to S.C. Code Ann. § 35-1-412(b), revoke the Respondents' investment adviser and investment adviser representative registrations; and
- c. Pursuant to S.C. Code Ann. § 35-1-412(c), order each Respondent to pay an administrative fine in an amount not exceeding ten thousand and no/100 (\$10,000.00) dollars for each violation of the Act and each violation of any rule or order promulgated by the Commissioner; and
- d. Order any other relief that the Commissioner deems appropriate.

**NOTICE AND OPPORTUNITY FOR A HEARING**

NOTICE is hereby given that Respondents shall each have thirty (30) days from the date of receipt of this Notice of Intent to give written notice requesting a hearing on the matters contained herein to Thresechia Navarro, Securities Division, Post Office Box 11549, Columbia, South Carolina, 29211-1549. In the written Answer, a Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation in this Order, shall set forth specific facts on which the Respondent relies, and shall set forth concisely the matters of law and affirmative defenses upon which the Respondent relies. A Respondent without knowledge or information sufficient to form a belief as to the truth of an allegation shall so state

