## ADMINISTRATIVE PROCEEDING BEFORE THE SECURITIES COMMISSIONER OF SOUTH CAROLINA

	IN THE MATTER OF:	) ) <b>O</b> I	RDER TO CEASE AND DESIST
	First Merchant Network, and Edward Morgan.	)	Matter No. 2018573
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	WHEREAS, the Securities		South Carolina (the "Securities
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## **III. FINDINGS OF FACT**

	4.	FMN alleges that it engages in the business of providing loans to entities which				
cannot	secure	such loans from traditional lending sources.				
	5.	FMN claims that it is able to provide these loans through money raised from				
individual investors (the "Investment Opportunity").						
	6.	As part of the Investment Opportunity, FMN's investors are promised a return of				

7.	Further.	FMN	promises	"a full	return"	of each	investment	within	90	days.

ç	2	While F	MM.	refers to	ite	investors	20	"Referral	Agents 3	, no	action	ic	required	hv
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these investors beyond their initial investment in the Investment Opportunity.

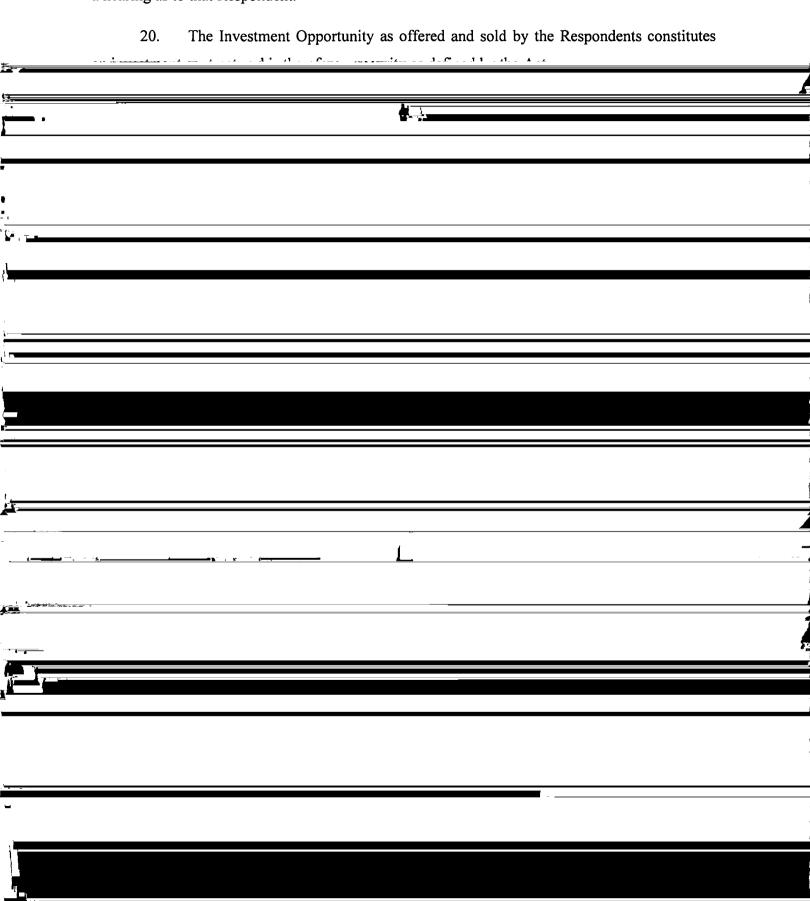
their funds with interest.

9. The Investment Opportunity is not registered with the Division or with the United

- 10. In October of 2017, on behalf of Respondent FMN, Respondent Morgan contacted a South Carolina resident (the "South Carolina Victim").
  - 11. Respondent Morgan solicited the South Carolina Victim to invest in the

	c. Falsely stating that the South Carolina Victim's investment would be returned in
	ninety (90) days; and
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	appointments" with one of the Respondents' "campaign managers."  IV. CONCLUSIONS OF LAW
	14 The South Coroline I Wiferer Sourities Act of 2005 S.C. Code Ann. S. 25. 1. 101
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days after the receipt of a request in a record from a Respondent, the matter will be scheduled for a hearing as to that Respondent.



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	securities industry in this State; and
	c. The Respondents shall jointly and severally pay a civil penalty in the amount
	of twenty thousand dollars (\$20,000.00) if this Order becomes effective by
	operation of law, or, if a Respondent seeks a hearing and any legal authority
	resolves this matter, pay a civil penalty in an amount not to exceed \$10,000.00
	for each violation of the Act by the Respondents and the actual cost of the
	investigation or proceeding.
	IT IS FURTHER ORDERED that pursuant to S.C. Code Ann. 8 35-1-604(a)(2) and
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	(3), any exemption from registration with the Division that the Respondents may claim to rely
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This Order to Cease and Desist does not prevent the Division, or arry other agency, including without lightation civil avan was under the Act, metuding remedies related tothe offers and sales of sescutifies by the Respondents set fouth above.

ENTERNO Tiest nell the sales of sescutifies by the Respondents set fouth above. Part Control Control Columbia Soffilli Carolina 29 ISSUANCE REQUESTED BY: Columbia, South Caronline, 29207 rage 6 of 6

