

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

IN THE MATTER OF:)
)
Gary James Heady, Sr. a/k/a Gary J.)
Heady (CRD# 2569444),)
)
and)
)
H I Management Services Inc. a/k/a H I)
Management Services a/k/a HI)
Management Services a/k/a H.I.)
Management Services, Inc.)
(IARD #152551))
)
Respondents.)
)

CONSENT ORDER
File No.: 20185857

I. PRELIMINARY STATEMENT

Pursuant to the authority granted to the Securities Commissioner of South Carolina (the “Securities Commissioner”) under the South Carolina Uniform Securities Act of 2005 (the “Act”) and delegated to the Securities Division of the Office of the Attorney General (the “Division”) by the Securities Commissioner, the Division conducted an investigation (the “Investigation”) into the securities-related activities of Gary James Heady, Sr. a/k/a Gary J. Heady (CRD# 2569444) (the “Respondent Heady”), and his company, H I Management Services, Inc. a/k/a H I Management Services a/k/a HI Management Services a/k/a H.I. Management Services, Inc. (IARD #152551) (the “Respondent HI Management” or “HI Management”), hereinafter referred to individually or collectively as the Respondents.

Without admitting or denying the findings of fact and conclusions of law set forth below, except as to the jurisdiction of the Securities Commissioner over them and the subject matter of this proceeding, which are admitted, the Respondents expressly consent to the entry of this Consent

² *In the matter of Gary James Heady, a/k/a Gary J. Heady, a/k/a HI Management Services – Censure of Respondent Gary James Heady, a/k/a Gary J. Heady, a/k/a HI Management Services, File Number 13030 (Dec. 3, 2014) (<http://2hsvz0l74ah31vgcm16peuy12tz.wpengine.netdna-cdn.com/wp-content/uploads/2011/03/Censure-of-Respondents-Heady-HI-Management-Services-12.3.14-00499800xD2C78.pdf>).*

Specifically, the respondents filings with the Financial Industry Regulatory Authority, Inc. ("FINRA"), and the Form ADV Part 2A Disclosure Brochure (the "Brochure") stated inaccurately that HI Management had retained a compliance consultant to conduct the compliance reviews required by the 2014 Censure Order. Further, HI Management's Form ADV Part 1, Part 2, and Part 2A filings were missing information, or the information contained in these filings was incomplete or incorrect, including but not limited to the number and type of clients, the amount of

assets under management, and the disclosure of an EOTI Censure Order.

of the Act and regulations promulgated thereunder, including S.C. Code Ann. §35-1-406(b), §35-1-505, and S.C. Code of Regulations § 13-502(B).

12. The Respondents submitted financial statements to the Division, which violated the Act and regulations promulgated thereunder, including S.C. Code of Regulations § 13-406.

13. The Respondents failed to acquire timely a \$55,000 safety bond in violation of the Act and regulations promulgated thereunder, including S.C. Code of Regulations § 13-406.

14. The Respondents' violations of the Act set forth above provide the basis for this

ORDER, PURSUANT TO THE SOUTH CAROLINA PUBLIC UTILITIES ACT (P.U.A.)

15. This Order is in the public interest.

management, and every successor, affiliate, or commonly controlled investment advisory business, will retain an independent compliance consultant to review its policies and procedures and documents pertaining to record keeping, suitability

documentation, account opening forms, advisory agreements, fee schedules, fee

shall continue on an annual basis for a period of three years from the date of execution of this Order;

E. Within sixty (60) days of the date of execution of this Order, the Respondent HI

³ Pursuant to the terms of the 2014 Orders, Respondent Heady will have to pay an additional civil penalty of \$5,000, if he decides to reapply for registration as an investment adviser representative after this two (2) year revocation.

~~FOR THE FULL, TRUE AND FAITHFUL DISCLOSURE OF THE FACTS OF THIS MATTER.~~

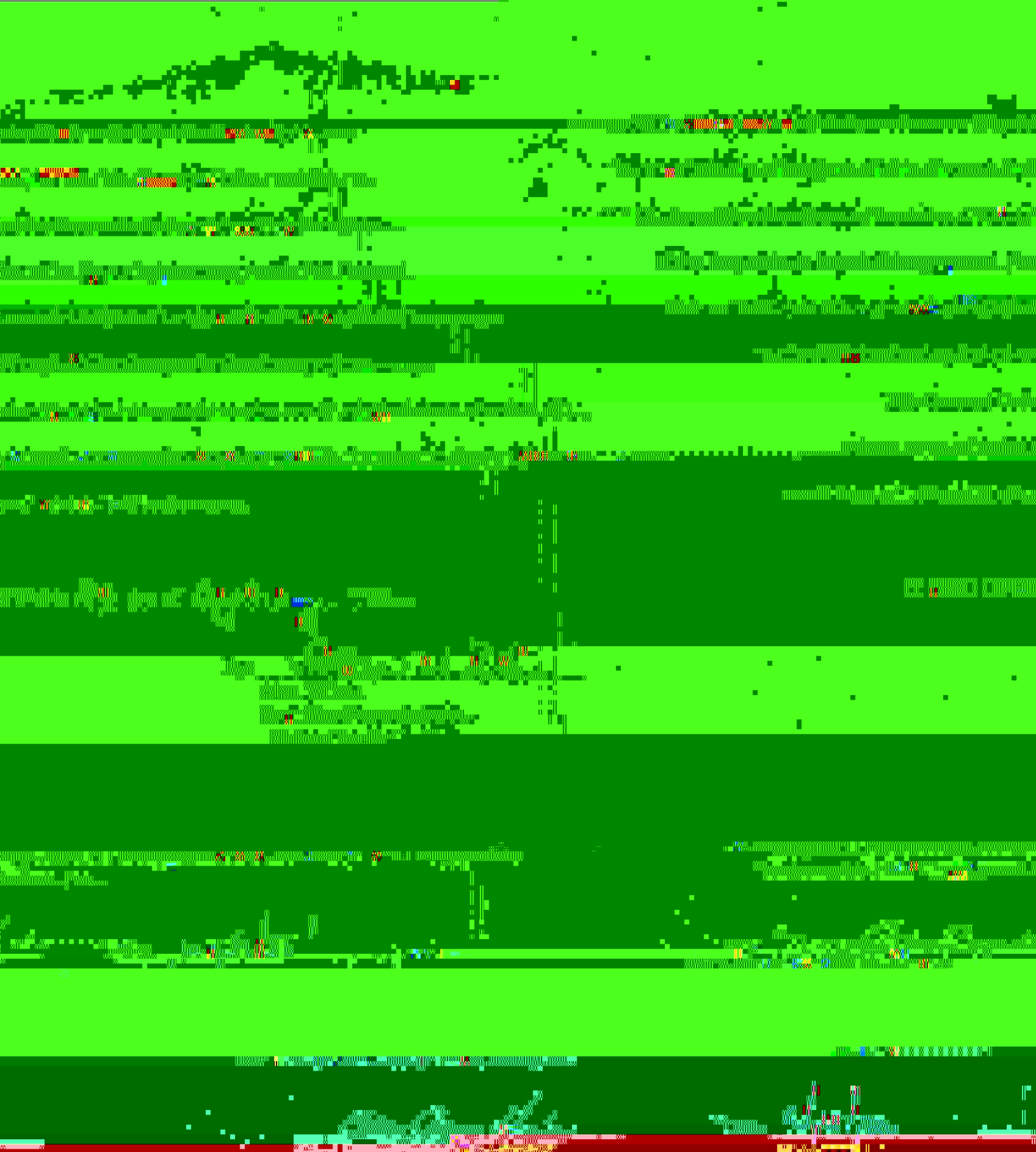
a period of two years after the date of execution of this Order, and it will have each client sign a form acknowledging receipt of the Order, which will be retained at its principal business location;

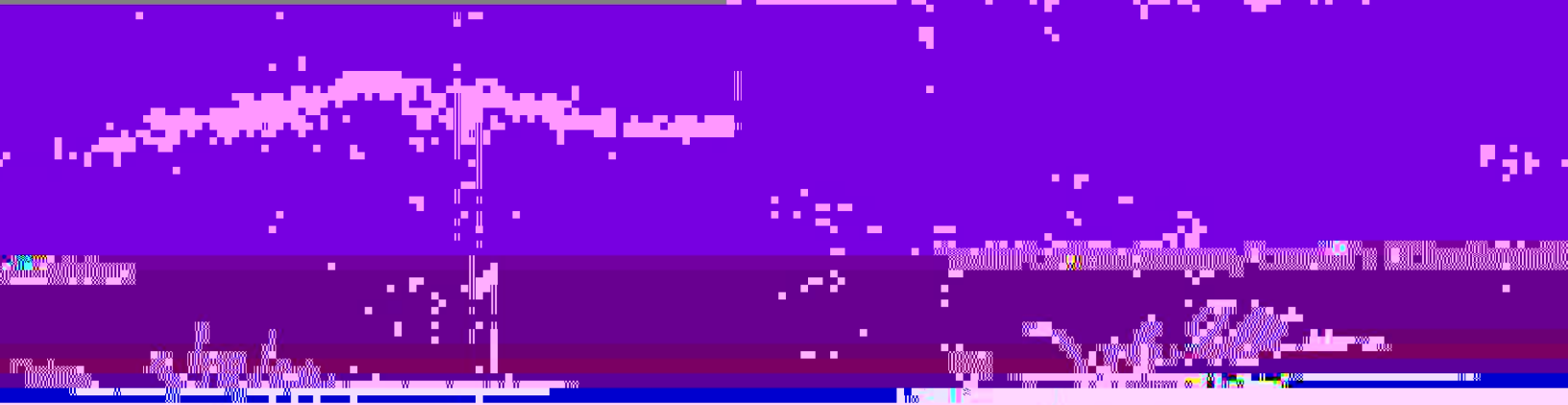
- I. The Respondents agree to pay a civil penalty in the amount of five thousand dollars (\$5,000.00) to the Division, and they agree to pay five hundred dollars (\$500) to

the Division for the costs associated with this investigation.

~~As part of this Consent Order the Respondents agree that they, (1) will not take any action~~

or make or permit to be made any public statement denying, directly or indirectly, any allegation in this Consent Order or creating the impression that this Consent Order is without factual basis;





Assistant Deputy Attorney General

CONFIDENTIAL