

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 12, 2014

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STATE CORPORATION COMMISSION
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COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2014-00006

MULLINS INVESTMENT SERVICES, LLC,
D/B/A PIEDMONT WEALTH MANAGEMENT,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Mullins Investment Services, LLC d/b/a Piedmont Wealth Management ("Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

The Defendant has been a registered Investment Advisor in Virginia since June 15, 2011. Beginning on January 2, 2013, Mullins employed an unregistered investment advisor representative ("IAR"). From January 2, 2013 to July 11, 2013, the unregistered IAR entered into at least nine investment advisory contracts for investment services to be provided to clients of the Defendant. For some of these nine clients, the unregistered IAR developed financial plans, signed client agreements as a "Financial Planner," and provided investment advice.

Based upon the investigation, the Division alleges that the Defendant violated: (i) § 13.1-504 C (i) of the Act by employing an unregistered IAR; and (ii) 21 VAC 5-80-170 B of the Commission's rules governing Investment Advisors, 21 VAC 5-80-10 *et seq.*, by failing to ensure that its employee was properly registered to conduct business as an IAR.

If the provisions of the Act are violated, the Commission is authorized by § 13.1-506 of the Act to revoke a defendant's registration, by § 13.1-519 of the Act to issue temporary or

permanent injunctions, by § 13.1-518 A of the Act to impose costs of investigation, by § 13.1-521 A of the Act to impose certain monetary penalties, by § 13.1-521 C of the Act to order a defendant to make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Commission wherein the Defendant will abide by and comply with the following terms and undertakings:

(1) The Defendant will pay to the Treasurer of the Commonwealth of Virginia ("Treasurer"), contemporaneously with the entry of this Order, the amount of Five Thousand Dollars (\$5,000) in monetary penalties.

(2) The Defendant will pay to the Treasurer, contemporaneously with the entry of this Order, the amount of One Thousand Dollars (\$1,000) to defray the costs of investigation.

(3) The Defendant will not violate the Act in the future.

The Division has recommended that the Commission accept the offer of settlement of the Defendant.

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendant, and the recommendation of the Division, is of the opinion that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendant in settlement of the matter set forth herein is hereby accepted.

(2) The Defendant shall fully comply with the aforesaid terms and undertakings of this settlement.

(3) This case is dismissed and the papers herein shall be placed in the file for ended causes.

Dismissal of this case does not relieve the Defendant from its reporting obligations to any regulatory authority.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Mullins Investment Services, LLC, d/b/a Piedmont Wealth Management, 1100 Sunset Lane,
Suite 1310-A, Culpeper, Virginia 22701; Ashleigh C. Swayze, Esquire, Swayze, LLC, 660
Newtown Yardley Road, Suite 105, Newtown, Pennsylvania 18940; and a copy shall be
delivered to the Commission's Office of General Counsel and Division of Securities and Retail
Franchising.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2014-00006

MULLINS INVESTMENT SERVICES, LLC
D/B/A PIEDMONT WEALTH MANAGEMENT,
Defendant

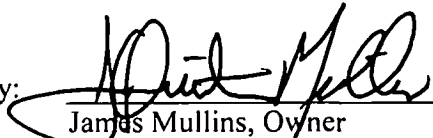
ADMISSION AND CONSENT

Mullins Investment Services, LLC d/b/a Piedmont Wealth Management ("Defendant"), admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof and, neither admitting nor denying the allegations made herein by the Division of Securities and Retail Franchising, hereby consents to the form, substance and entry of the foregoing Settlement Order ("Order").

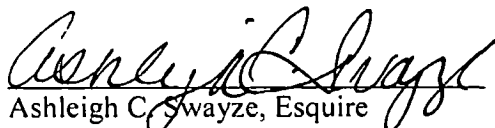
The Defendant further states that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Order.

Mullins Investment Services, LLC
d/b/a Piedmont Wealth Management

Date: 3-5-14

By: 
James Mullins, Owner

Seen and Approved By:


Ashleigh C. Swayze, Esquire
Swayze, LLC