

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, FEBRUARY 13, 2023

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COMMONWEALTH OF VIRGINIA, *ex rel.*

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STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2018-00026

THOMAS GREGORY COOK,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Thomas Gregory Cook ("Cook" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Based on its investigation, the Division alleges that, since 2019, Cook has failed to make certain restitution payments and provide information, pursuant to settlement orders previously entered by the Commission in Case No. SEC-1999-00074. The Commission, under § 13.1-521 of the Act, is authorized to enforce compliance with these orders through imposition of a civil penalty.

The Division also alleges that, from March 2013 through September 2017, Cook engaged in other unlawful activities which not only violated the previously entered settlement orders in Case No. SEC-1999-00074 requiring that he "not violate the Act ... in the future," but also constituted new and independent violations of the Act. Specifically, from March 2013 through September 2017, Cook, a Virginia resident, offered and sold approximately \$871,500 in security investments on behalf of Lime Lion Group, Inc., Lime Lion Holdings, LLC, and Fantank, LLC (collectively, "Lime Lion"), as well as GreenComm Technologies, LLC ("GreenComm"), to

11 investors, including 8 Virginia residents. Cook was not registered as an agent to transact such business and thus violated § 13.1-504(A)(i) of the Act.

Furthermore, the Division alleges that, in connection with the offer and sale of these securities, Cook failed to disclose to investors his prior federal criminal conviction for securities fraud in *United States v. Cook, et al.*, Case No. 5:03-cr-10054 (W.D. Va.) (2006), and the Commission's previous settlement orders entered in Case No. SEC-1999-00074. Cook also failed to disclose to investors that he was receiving 40% in fees or commissions from Lime Lion and GreenComm for conducting the offer and sale of these securities, even though investors had been told that only 5% of investment proceeds would be paid to registered broker-dealers or agents. By omitting to state such material facts and thereby misleading investors, Cook violated § 13.1-502(2) of the Act.

If any Commission order issued pursuant to the Act or any provisions of the Act are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; 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 the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, and in lieu of the Division's bringing a formal enforcement proceeding against the Defendant, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

(1) The Defendant will, within ten (10) days of the signing of the Admission and Consent by the Defendant and the Defendant's counsel, make all remaining restitution payments owed to five (5) investors, as previously ordered by the Commission in Case No. SEC-1999-00074, in the total amount of Seven Thousand Four Hundred Sixty Dollars and Fifteen Cents (\$7,460.15), as directed by the Division based on the list of investor names and payment amounts provided to the Defendant;¹

(2) The Defendant will pay to the Treasurer of Virginia a total amount of Twenty-Four Thousand Dollars (\$24,000) in monetary penalties, consisting of ninety-six (96) monthly payments of Two Hundred Fifty Dollars (\$250) due by the first calendar day of each month, with the first payment being made by December 1, 2022;²

(3) The Defendant agrees to be permanently enjoined from acting as an investment advisor representative, broker-dealer agent, or agent of an issuer in Virginia;

(4) The Defendant agrees to be permanently enjoined from offering and selling securities and engaging, partnering, or associating with other agents or affiliates to offer and sell securities in and from Virginia; and

(5) The Defendant agrees not to violate the Act or any order of the Commission in the future.

The Division supports the Defendant's offer of settlement and has recommended that the Commission accept the settlement.

¹ The Division reports that the Defendant has deposited funds for the remaining restitution payments into an escrow account maintained by the Defendant's counsel.

² The Division reports that, to date, the Defendant has made three monthly penalty payments.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

(1) The settlement is accepted.

(2) The Defendant shall fully comply with the terms of the settlement.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

A COPY hereof shall be sent by the Clerk of the Commission to: Robert B. Nealon, Esquire, Attorney for the Defendant, at rbnealon@nealon.com, Nealon & Associates, P.C., 119 North Henry Street, Alexandria, Virginia 22314; and a copy shall be delivered to the Commission's Office of General Counsel and the Division of Securities and Retail Franchising.

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Defendant

ADMISSION AND CONSENT

Thomas Gregory Cook ("Defendant") admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof. The Defendant, while 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").

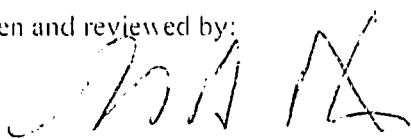
The Defendant further states that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Order.

Thomas Gregory Cook

Date: 10 - 25 - 17

Thomas Gregory Cook

Seen and reviewed by:


Robert B. Nealon, Esquire