

FACTUAL HISTORY

1. Respondent Hunter is a South Carolina resident who lives at 302 Goddard Avenue, Seneca, South Carolina 29672.

~~Respondent National Institute is an entity operating and doing business in Seneca, South~~

Carolina.

~~Respondent Hunter is the Director of Respondent National Institute~~

investment loan units from Respondents. Respondents promised to freeze the cost of getting the investment loan units to "\$175.00 per unit and \$25.00 expense fee per loan unit," through the end of July 2007. In addition, Respondents promised to pay to the resident a "referral fee of \$10.00 per \$25.00 expense fee [they] receive[d] per \$175.00 loan unit placed with [them] by any club members"

recruited by the resident.

5. In offering materials Respondent Hunter, on behalf of himself and Respondent National Institute, makes false or misleading claims, including:

- a. "I have a key inside financial connection. He is handling a \$500 million investment for a multi-billionaire you are very familiar with . . . Through him I also have access to a top Forex trader who in 20 years has made profits for all customers he ever had!"
- b. "A man who took \$1000 and built it into one million dollars in 12 months off of Forex trading shared with me his secret system."

6. Respondents also claim the Forex fund in which they are soliciting investments has averaged from 3.1% to 4.0% daily increases each day during the period of their trades.

7. On March 15, 2007, the Division sent a letter via certified mail to Hunter

10 Hunter did not provide the sworn statement or any of the requested information to the _____

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APPLICABLE LAW

11. Pursuant to S.C. Code Ann. § 35-1-703, the Act took effect on January 1, 2006.

12. The “investment units” offered by Respondents involve investments of money, in a common

19. Pursuant to S.C. Code Ann. § 35-1-501, it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly: (1) to employ a device, scheme, or artifice to defraud; (2) to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (3) to engage in an act, practice, or course of

c. Pursuant to S.C. Code Ann. § 35-1-604(d), in a final order, the Securities

Commissioner may impose a civil penalty in an amount not to exceed ten thousand

d. Pursuant to S.C. Code Ann. § 35-1-604(e), in a final order, the Securities

Commissioner may charge the actual cost of an investigation or proceeding for a violation of the Act or a rule adopted or order issued under the Act.

DIVISION'S DETERMINATION

investment experience and returns, and the security itself in connection with the

CEASE AND DESIST ORDER

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.

26. Failure by a Respondent to file a written request for a hearing in this matter within the thirty (30) day period stated above shall be deemed a waiver by that Respondent of his right to such a hearing. Failure of a Respondent to file an Answer, including a request for a hearing, shall

result in this Order including the stated civil penalties becoming final as to that Respondent

by operation of law.

27. CONTINUING TO ENGAGE IN ACTS DETAILED BY THIS ORDER AND/OR SIMILAR ACTS MAY RESULT IN THE DIVISION'S FILING ADDITIONAL ADMINISTRATIVE ACTIONS AND/OR SEEKING FURTHER ADMINISTRATIVE FINES. WILLFUL VIOLATION OF THIS ORDER COULD RESULT IN CRIMINAL