



2. Upon information and belief, Respondent McAdams' last known home address is 611 8<sup>th</sup> Avenue North, Surfside Beach, South Carolina 29575.

3. Respondent McAdams was a founding member of Respondent Global and he was also its Registered Agent.

4. Respondent Freeman is a North Carolina resident

5. Upon information and belief, Respondent Freeman's last known home address is 73 Covered Bridge Drive, Flat Rock, North Carolina 28731.

6. Respondent Freeman was a founding member of Respondent Global.

7. Respondent Global was organized as South Carolina LLC in or about December 2007

8. In or about the first nine months of 2008, McAdams and Freeman solicited investors in South Carolina and other states for investment through Global. Certain of the solicitations were made from the State of South Carolina.

9. Respondent Freeman told investors that Global was "in the business of locating and

13. Some Agreements represented that investors who invested \$20,000.00 would receive \$1,000,000.00 after 60 days, a return of 4,900%.

14. Another Agreement stated that an investor's \$500,000.00 would grow to \$1,500,000.00 after 60 days a 200% rate of return.

15. The agreement stated that these fantastic returns could be achieved by buying bonds or

notes directly from the issuer at a discount and quickly reselling them for a profit.

16. The earliest Agreements represented that a German entity ("German Entity") would trade

23. Bank records show, however, that only \$1,300,000.00 of the intended \$2,100,000.00 was transferred to the German Entity.

\_\_\_\_\_ that \_\_\_\_\_ the remaining investors' funds with his

personal funds, and used investor money for purposes other than the investment described in the Agreements. Specifically:

- a. More than \$500,000.00 was transferred to accounts controlled by Freeman and his family;
- b. At least \$150,000.00 was used to pay a personal debt owed by Freeman.

investors in his solicitations by making statements indicating Global's members had (a) invested a total of \$2 million of their own funds in the trading program; (b) made at least \$200 million; and (c) distributed \$50 million to themselves and reinvested the rest, when none of these statements were true.

29. McAdams misrepresented the success of the investment program to investors and potential investors when, in soliciting an investment, he represented that Global had participated in "hundreds" of similar transactions that had already produced "hundreds of

millions" of dollars for "dozens" of investors when this statement was not true.

30. Additionally, Respondents McAdams and Freeman, in connection with the offer and sale

the solicitation of funds from the later investors, had already failed to return principal and promised returns to the earlier investors.

WHEREAS, the investments described in the Agreements are “securities” within the meaning of S.C. Code Ann. § 35-1-102(29); and

WHEREAS, certain of the securities were offered and sold by Respondents in and from the State of South Carolina; and

WHEREAS, the securities were not registered, federal covered securities, or exempt from registration under the Act; and

WHEREAS, Respondents McAdams and Freeman were not registered or exempt from registration as agents authorized to offer and sell securities in and from this State; and

WHEREAS, the Respondents, in connection with the offer and sale of the securities in

that Respondents exist from transacting business in this State in violation of

the Act, and in particular, Sections 35-1-301, 25-1-402(2) and 35-1-501 thereof; and

- b. Pay a civil penalty in the amount of ten thousand dollars (\$10,000.00) per Respondent if this Order becomes effective by operation of law, or, if a Respondent seeks a hearing and a hearing officer or any other legal authority resolves this matter, said Respondent pay a civil penalty in an amount not to exceed ten thousand dollars (\$10,000.00) for each violation of the Act by the Respondent, and the actual cost of the investigation or proceeding.

**REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING**

The Respondents are hereby notified that they each have the right to a hearing on the

shall result in the Defendant being held in custody, and the Defendant  
by operation of law.

CONTINUING TO ENGAGE IN ACTS DETAILED BY THIS ORDER AND/OR

SIMILAR ACTS MAY RESULT IN THE DEFENDANT BEING HELD IN CUSTODY

BY OPERATION OF LAW.

VIOLATION OF THIS ORDER WOULD RESULT IN CRIMINAL

PROSECUTION REGARDING MATTERS OF PUBLIC SAFETY.

BY OPERATION OF LAW.

BY OPERATION OF LAW.

BY OPERATION OF LAW.

BY OPERATION OF LAW.