

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

IN THE MATTER OF:

Morgan Gold, LLC, and

**ORDER TO CEASE AND DESIST
File No. 14031**

Respondents.

WHEREAS, the Securities Division of the Office of the Attorney General of the State of South Carolina (the "Division") has been authorized and directed by the Securities Commissioner of South Carolina (the "Securities Commissioner") to administer the provisions

"Act"); and

II. RESPONDENTS

2. Morgan Gold is a California limited liability company with a last known address

51000 Main Street, Suite 150, Irvine, California 92610

3. David Allen is a California resident and former vice president of Morgan Gold

coins, of which \$49,681.09 was directed to the purchase of gold (the "Gold Coins") and silver coins (the "Silver Coins") (collectively, the "Coins").

9. Neither Defendant Allen nor the Coins were registered with the United States

Section 1717 - Civil and Criminal Remedies

at a substantial loss.

19 In connection with the offer and sale of the Coins to the Investor, the Defendants

22 Pursuant to S.C. Code Ann. § 35-1-402(e), it is unlawful for an individual to

transact business as an agent in this State unless that individual is registered or exempt from registration.

23. Pursuant to S.C. Code Ann. § 35-1-402 (d), it is unlawful for an issuer, engaged in

offering securities in this State to sell securities with a net net

days after the receipt of a request in a record from a Respondent, the matter will be scheduled for a hearing as to that Respondent.

27. The Coins offered and sold by the Respondents constitute securities as defined by the Act.

[REDACTED]

contract and are therefore securities as defined by the Act.

28. The Coins offered and sold by the Respondents were neither federal covered securities, exempt from registration, nor registered with the Division and were therefore sold in violation of the Act.

29. Respondent Allen acted as an unregistered agent in violation of the Act.

30. Respondent Morgan Gold employed an unregistered agent in violation of the Act.

31. The Respondents sold securities in this State: (1) while employing a scheme, device, or artifice to defraud; (2) through the making of untrue statements of material fact or

a. The Respondents and every successor, affiliate, control person, agent, servant,

and employee of each Respondent and every entity owned, created or

indirectly or directly controlled by or on behalf of any Respondent **CEASE**

AND DESIST from transacting business in this State in violation of the Act,

in a written Answer and Response. If a Respondent cannot or chooses not to admit or deny each factual allegation

Response to the Request for Admittance or Denial of Facts

Failure by a Respondent to meet the deadline request for a hearing in all instances within the thirty-day (30) period above shall be deemed a waiver by that Respondent of the right to such a hearing.

ENTERED: 01/21/2014

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
STATE

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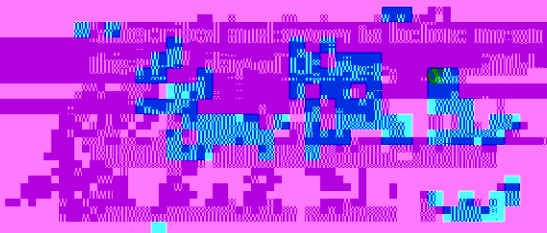
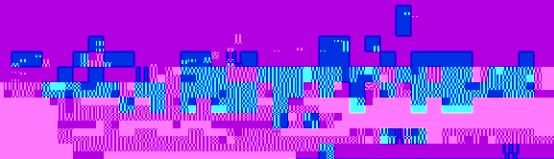
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Irvine, CA

John C. Holloman, President

William E. Sawyer, Director

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South Carolina

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South Carolina



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STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITY DIVISION

CERTIFICATE OF AUTHORITY

FOR THE STATE OF SOUTH CAROLINA

WHEREAS, the State of South Carolina is a member of the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO); and

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