

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

<b>IN THE MATTER OF:</b>	)	
	)	
	)	
<b>Oren Eugene Sullivan,</b>	)	<b>NOTICE OF INTENT TO SEEK</b>
	)	<b>REVOCATION OF REGISTRATION</b>
	)	<b>AND PERMANENT BAR</b>
	)	
<u>Respondent.</u>	)	<b>File Number 10002</b>

WHEREAS, the Securities Division of the Office of the Attorney General of the State of South Carolina (the "Division"), pursuant to authority granted in the South Carolina Uniform Securities Act of 2005 (the "Act"), S.C. Code Ann. § 35-1-101 to 35-1-703 (Supp. 2009), on or about January 7, 2010, received information regarding alleged activities of Oren Eugene Sullivan ("Sullivan" or the "Respondent") which, if true, could constitute violations of the Act; and

WHEREAS, the information led the Division to open and conduct an investigation of the Respondent pursuant to S.C. Code Ann. § 35-1-602; and

WHEREAS, in connection with the investigation, the Division has determined that evidence exists to support the following findings and conclusions:

**FINDINGS**

1. Respondent is a natural person whose last known address, as filed on the Central Registration Depository maintained by the Financial Industry Regulatory Authority ("FINRA"), an entity that resulted from the merger of the National Association of Securities Dealers ("NASD") and the New York Stock Exchange's ("NYSE") Member Regulation unit, is 2644 Meredith Ct., Rock Hill, South Carolina 29730.

2. On or about January 2, 1987, Respondent registered in South Carolina as an agent of NYLife Securities LLC.
3. On or about September 29, 2008, Respondent registered in South Carolina as a representative of Eagle Strategies, LLC.
4. Respondent's registration in South Carolina as an agent of NYLife Securities LLC and Eagle Strategies, LLC continued until November 13, 2008, when he was terminated from both firms for misappropriating funds from a customer.
5. On or about August 5, 2009, Respondent submitted to FINRA a Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of alleged rule violations of Section 10(b) of the Securities Exchange Act of 1934, SEC Rule 10b-5, and NASD Rules 2120, 2330(a) and 2110.
6. In the AWC referred to in item 5 above, the Respondent specifically acknowledged and waived notice and opportunity for a hearing, and agreed to a bar from association with any member of FINRA in any capacity.
7. Respondent's AWC was accepted by FINRA on or about August 21, 2009.
8. On or about August 19, 2009, Respondent was indicted in the United States District Court, District of South Carolina, Rock Hill Division, on seven counts of fraud and obtaining money under false pretenses.
9. On January 4, 2010, Respondent executed a plea agreement with United States Attorney W. Walter Wilkins and Assistant United States Attorney Natban S. Williams in which he agreed to plead guilty to charges that, beginning in or around January 1995, and continuing through in or around November 2008, in the District of South Carolina, Respondent devised a scheme and

artifice to defraud and to obtain money by means of false pretenses, representations and promises, in violation of Title 18, United States Code, Section 1341.

10. The charges the Respondent pled guilty to on or around January 4, 2010, resulted in a felony conviction against Respondent.
11. On or about January 7, 2010, information concerning the Respondent's indictment and guilty plea came to the Division's attention and, shortly thereafter, following investigation, Division staff learned of the Respondent's Letter of Acceptance, Waiver and Consent Agreement with FINRA.
12. During the period in which he was registered, as detailed above, Respondent, on one or more occasions, willfully violated or willfully failed to comply with the Act or a rule adopted or order issued under the Act.
13. An order revoking Respondent's registration and barring him from registration in this State in the future is in the public interest and authorized by S.C. Code Ann. § 35-1-412.

#### **APPLICABLE LAW**

14. Pursuant to S.C. Code Ann. § 35-1-412(b), the Securities Commissioner may revoke the registration of a registrant if the Securities Commissioner finds the order to be in the public interest and S.C. Code Ann. § 35-1-412(d) authorizes the action.
15. Pursuant to S.C. Code Ann. § 35-1-412(c), the Securities Commissioner may impose a bar on a registrant if the Securities Commissioner finds the order to be in the public interest and S.C. Code Ann. § 35-1-412(d) (1) through (6), (8), (9), (10), or (12) and (13) authorizes the action.
16. Pursuant to S.C. Code Ann. § 35-1-412(d)(1), (2), (3) and (5), a person may be disciplined under S.C. Code Ann. § 35-1-412(a) through (c) if the person:

- a. Has willfully violated or willfully failed to comply with the Act or a rule adopted or order issued under the Act;
- b. Has been convicted of a felony;
- c. Is the subject of an order, issued after notice and opportunity for a hearing by the securities or other financial services regulator of a State or the Securities and Exchange Commission or other federal agency denying, revoking, barring, or suspending registration as a broker-dealer, agent, investment adviser, federal covered investment adviser, or investment adviser representative; or
- d. Has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance or insurance business within the previous 10 years.

17. Pursuant to S.C. Code Ann. § 35-1-412(i), the Securities Commissioner may not institute a proceeding under subsection (a), (b), or (c) based solely on material facts actually known by the Securities Commissioner unless an investigation or the proceeding is instituted within one year after the Securities Commissioner actually acquires knowledge of the material facts.

**REQUEST FOR AN ORDER REVOKING RESPONDENT'S REGISTRATION AND  
IMPOSING A PERMANENT BAR FROM REGISTRATION**

WHEREAS, the Respondent, (i) has willfully violated or willfully failed to comply with the Act; (ii) has been convicted of a felony; and (iii) is the subject of an order with FINRA, which was consented to after notice and opportunity for a hearing, and such order denies, revokes, bars, or suspends him from registration with any FINRA member in any capacity; and

WHEREAS, the present proceeding was instituted less than sixty days after the Division actually acquired knowledge of the material facts stated above; and

WHEREAS, after due deliberation, the Division finds that it is necessary and appropriate, in the public interest, for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act to seek a revocation of Respondent's registration and a permanent bar;

NOW THEREFORE, through this Notice of Intent to Seek Revocation of Registration and Permanent Bar ("Notice"), the Division moves before the Commissioner for an Order Revoking Respondent's Registration and Imposing a Permanent Bar from Registration against Respondent.

**NOTICE AND OPPORTUNITY FOR A HEARING**

The Respondent is hereby notified that he has the right to a hearing on the matters contained herein. To schedule such a hearing, the Respondent must file with the Securities Division, Post Office Box 11549, Rembert C. Dennis Building, Columbia, South Carolina 29211-1549, attention: Thresechia Navarro, within thirty (30) days after the date of service of this Notice a written Answer specifically requesting that a hearing be held to consider rescinding the Notice.

In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation of the Notice, shall set forth specific facts on which the Respondent relies, and shall set forth concisely the matters of law and affirmative defenses upon which the Respondent relies. If the Respondent is without knowledge or information sufficient to form a belief as to the truth of an allegation, he shall so state.

Respondent may then appear, with or without the assistance of an attorney, at the hearing to present testimony, evidence, and argument relating to the matters contained herein.

In the event such written notice requesting a hearing is not received within the above-stated thirty (30) day period of time, an ORDER REVOKING RESPONDENT'S

REGISTRATION AND ISSUING A PERMANENT BAR may be entered in this proceeding with no further notice.

The Division reserves the right to seek a civil penalty in a separate proceeding.

Respectfully submitted, this the 22<sup>nd</sup> day of February, 2010.

By: Tracy A. Meyers  
Tracy A. Meyers  
Assistant Attorney General  
Securities Division  
Rembert C. Dennis Building  
1000 Assembly Street  
Columbia, S. C. 29201  
(803) 734-4731