

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

IN THE MATTER OF:	)	<b>RULE TO SHOW CAUSE</b>
	)	
Julian G. Hunt, Jr., A/K/A Chip Hunt	)	<b>File Number: 15002</b>
IARD # 1771575	)	
	)	
Primetrust Advisors, LLC	)	
CRD# 141625	)	
_____ 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 of S.C. Code Ann. § 35-1-101, *et seq.*, the South Carolina Uniform Securities Act of 2005 (the “Act”); and

**WHEREAS**, the Division alleges the following:

**I. JURISDICTION**

1. The Securities Commissioner has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a).

**II. RESPONDENTS**

2. Respondent PrimeTrust Advisors, LLC (“PrimeTrust”) is a South Carolina limited liability company with the last known address of 101 College Street, Suite 1-B, Greenville, South Carolina 29601.
3. PrimeTrust has been registered with the Securities and Exchange Commission and notice filed with the Division as an investment adviser since on or about February 12, 2008.
4. Respondent Julian G. Hunt, Jr. (“Hunt”) is a South Carolina resident with the last known

address of 517 Huntington Road, Greenville, South Carolina 29615.

5. Hunt has been registered with the Division as an investment adviser representative with PrimeTrust since on or prior to February 12, 2008.
6. At all times relevant to this order, Hunt has been Chief Compliance Officer of PrimeTrust.
7. At all times relevant to this order, Hunt has been a majority owner and an officer of PrimeTrust.

### **III. FACTUAL BACKGROUND**

8. On or about April 14, 2010, the United States Internal Revenue Service (the “IRS”) filed a Notice of Federal Tax Lien against “Julian G. Jr. and Lauren Hunt” in the Register of Deeds office in Greenville, South Carolina (the “2010 Tax Lien”).
9. The 2010 Tax Lien identified unpaid balances for tax periods ending December 31 of years 2005 through 2008.
10. The 2010 Tax Lien listed two hundred forty-five thousand three hundred fifty dollars and forty cents (\$245,350.40) as the total unpaid balance of assessment.
11. The 2010 Tax Lien was satisfied and the Certificate of Release of Federal Tax Lien was filed on May 13, 2014.
12. On or about October 23, 2012, the IRS filed a Notice of Federal Tax Lien against “Julian G. Hunt, Jr.” in the Register of Deeds office in Greenville, South Carolina (the “2012 Tax Lien”).
13. The 2012 Tax Lien identified unpaid balances for tax periods ending December 31 of years 2009 through 2011.
14. The 2012 Tax Lien listed two hundred fifty thousand one hundred one dollars and thirty

cents (\$250,101.30) as the total unpaid balance of assessment.

15. Upon information and belief, the 2012 Tax Lien has not been satisfied or released.
16. The Uniform Application for Securities Industry Registration or Transfer (“Form U-4”) requires an applicant to answer whether or not the applicant has any unsatisfied judgments or liens against the applicant.
17. The 2010 Tax Lien was never disclosed on Hunt’s Form U-4.
18. The 2012 Tax Lien was not disclosed on Hunt’s Form U-4 until on or around January, 2015. While the dates referenced in the disclosure relate to the 2012 Tax Lien, the disclosure reflects the amount of the 2010 Tax Lien.
19. The Uniform Application for Investment Adviser Registration (“Form ADV”) requires applicant firms to file a brochure with the SEC which will be provided to all clients (“Form ADV Part 2”).
20. Form ADV Part 2 requires the firm to report any legal or disciplinary events relevant to the firm or any supervised person which are material to a client’s or prospective client’s evaluation of the supervised persons.
21. PrimeTrust never disclosed either tax lien on its Form ADV Part 2.

#### **IV. APPLICABLE LAW**

22. Pursuant to S.C. Code Ann. Section 35-1-405(c), a person acting as a federal covered investment adviser, not excluded under S.C. Code Ann. Section 35-1-405(b), shall file a notice, a consent to service of process complying with S.C. Code Ann. Section 35-1-611, and such records as have been filed with the Securities and Exchange Commission under the Investment Advisers Act of 1940 required by rule adopted or order issued under the Act and pay the fees specified in S.C. Code Ann. Section 35-1-410(a).

23. Pursuant to S.C. Code Ann. Section 35-1-406(a), a person shall register as a broker-dealer, agent, investment adviser, and investment adviser representative by filing, among other things, an application. The application must contain the information or record required for the filing of a uniform application, and any other financial information or other record that the Commissioner deems appropriate and requests.
24. Pursuant to S.C. Code Ann. Section 35-1-406(b), if the information or record contained in an application filed under S.C. Code Ann. Section 35-1-406(a) is or becomes inaccurate or incomplete in a material respect, the registrant shall promptly file a correcting amendment.
25. Pursuant to S.C. Code Ann. Section 35-1-412(c), if the Commissioner finds that the order is in the public interest and S.C. Code Ann. Sections 35-1-412(d)(1) through (6), (8), (9), (10), or (12) and (13) authorizes the action, an order under the Act may censure, impose a bar, and/or impose a civil penalty in an amount not to exceed \$10,000 for each violation, on a registrant, and, if the registrant is a broker-dealer or investment adviser, a partner, officer, director, or person having a similar status or performing similar functions, or a person directly or indirectly in control, of the broker-dealer or investment adviser.
26. Pursuant to S.C. Code Ann. Section 35-1-412(d)(1), a person may be disciplined under S.C. Code Ann. Sections 35-1-412(a) through (c) if the person has filed an application for registration in this State under the Act, or a predecessor to the Act, within the previous 10 years, which, as of the effective date of registration or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained a statement that, in light of the circumstances under which it was made, was false or misleading with respect to a material fact.

27. Pursuant to S.C. Code Ann. Section 35-1-412(d)(13), a person may be disciplined under S.C. Code Ann. Sections 35-1-412(a) through (c) if the person has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous 10 years.
28. S.C. Code of Regulations Section 13-502(B) defines dishonest or unethical practices by investment advisers and investment adviser representatives to include engaging in other conduct such as non-disclosure, incomplete disclosure, or deceptive practices which shall also be grounds for denial, suspension or revocation of registration, imposition of administrative fines, or such other action authorized by statute.
29. On at least two occasions, Hunt and PrimeTrust failed to file a correcting amendment to Hunt's application for registration in violation of S.C. Code Ann. Section 35-1-406(b).
30. On at least six occasions, Hunt and PrimeTrust failed to disclose the 2010 Tax Lien and the 2012 Tax Lien in connection with Hunt's filing of applications for registration in violation of S.C. Code Ann. Section 35-1-412(c) and (d)(1).
31. On at least six occasions, Hunt and PrimeTrust failed to disclose the 2010 Tax Lien and the 2012 Tax Lien in connection with PrimeTrust's filing of applications for registration in violation of S.C. Code Ann. Section 35-1-412(c) and (d)(1).
32. On multiple occasions, Hunt and PrimeTrust failed to disclose or were incomplete in their disclosure of tax liens in violation of S.C. Code Ann. Section 35-1-412(c) and (d)(13), and S.C. Code of Regulations Section 13-502(B).

## V. CONCLUSION

Based on the foregoing facts and applicable law, the Respondents should be censured and administrative fines imposed. If this Order becomes effective by operation of law, each

Respondent is hereby censured and each Respondent is ordered to pay a penalty in the amount of ten thousand dollars (\$10,000). If one or both Respondents seek a hearing and any legal authority resolves this matter, such Respondent should be ordered to pay a civil penalty in an amount not to exceed ten thousand dollars (\$10,000) for each violation of the Act committed by that Respondent, and the actual cost of the investigation and proceeding.

**NOW THEREFORE**, it is hereby **ORDERED**, that Respondents **SHOW CAUSE**, if any there be, why the Securities Commissioner should not enter an Order, pursuant to S.C. Code Ann. §§ 35-1-412(c) and 35-1-604, censuring the Respondents and imposing a civil penalty in an amount not to exceed \$10,000 for each violation of the Act or rule adopted or order issued under the Act.

#### **NOTICE AND OPPORTUNITY FOR A HEARING**

Each Respondent is hereby notified that he has the right to a hearing on the matters contained herein. To schedule such a hearing, a 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 Rule to Show Cause, a written Answer specifically requesting a hearing. If a Respondent requests a hearing, the Division, within fifteen (15) days after receipt of a request in a record from the Respondent, will schedule the hearing for that Respondent.

In the written Answer, a Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation in this Rule to Show Cause, 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 a Respondent is without knowledge or information sufficient to form a belief as to the truth of an allegation, he shall so state.

Failure by a Respondent to file a written request for a hearing in this matter within the thirty-day (30) period stated above shall be deemed a waiver by that Respondent of the 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 penalty and any assessed costs, becoming final as to that Respondent by operation of law.

This Order does not prevent the Division or any other law enforcement agency from seeking additional civil or criminal remedies as are available under the Act, including remedies related to the offers and sales of securities by the Respondent set forth above.

**ENTERED**, this the 2<sup>nd</sup> day of April, 2015.

Columbia, South Carolina

ALAN WILSON  
SECURITIES COMMISSIONER

By: Tracy Meyers  
TRACY A. MEYERS  
Deputy Securities Commissioner  
Post Office Box 11549  
Columbia, South Carolina 29211

**ISSUANCE REQUESTED BY:**

By: Jordan M. Crapps  
JORDAN M. CRAPPS  
Assistant Attorney General  
Post Office Box 11549  
Columbia, South Carolina 29211

STATE OF SOUTH CAROLINA  
OFFICE OF THE ATTORNEY GENERAL  
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND  
AFFIDAVIT OF COMPLIANCE  
File Number 15002

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated below and dated April 2, 2015, by serving a copy of said document upon the Securities Commissioner of the State of South Carolina and by placing a copy of said document in the United States mail, certified mail, return receipt requested, first class postage prepaid and addressed to:

Primetrust Advisors, LLC  
101 College Street  
Suite 1-B  
Greenville, SC 29601

Certified Article Number

9314 7699 0430 0012 0053 28

SENDERS RECORD

Document(s): Rule to Show Cause

Mailed April 2, 2015 from Columbia, South Carolina.

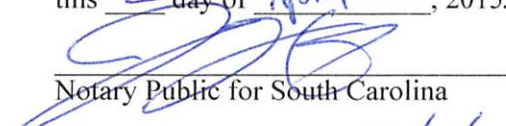
I further hereby certify, swear and affirm that, service of the above-listed entity is in compliance with Section 35-1-611, Code of Laws of South Carolina.

By:



Thereschia P. Navarro  
South Carolina Attorney General's Office  
Securities Division  
Post Office Box 11549  
Columbia, SC 29211-1549  
(803) 734-4731

Subscribed and sworn to before me on  
this 2 day of April, 2015.



Notary Public for South Carolina

My commission expires: 7/2/18



STATE OF SOUTH CAROLINA  
OFFICE OF THE ATTORNEY GENERAL  
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND  
AFFIDAVIT OF COMPLIANCE  
File Number 15002

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated below and dated April 2, 2015, by serving a copy of said document upon the Securities Commissioner of the State of South Carolina and by placing a copy of said document in the United States mail, certified mail, return receipt requested, first class postage prepaid and addressed to:

Julian G. Hunt, Jr.  
Individually & as Chief Compliance Officer  
Primetrust Advisors, LLC  
517 Huntington Road  
Greenville, SC 29615

**Certified Article Number**

9314 7699 0430 0012 0054 03

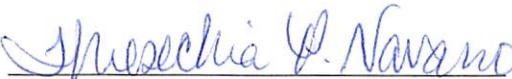
**SENDERS RECORD**

Document(s): Rule to Show Cause

Mailed April 2, 2015 from Columbia, South Carolina.

I further hereby certify, swear and affirm that, service of the above-listed entity is in compliance with Section 35-1-611, Code of Laws of South Carolina.

By:



Thresechia P. Navarro  
South Carolina Attorney General's Office  
Securities Division  
Post Office Box 11549  
Columbia, SC 29211-1549  
(803) 734-4731

Subscribed and sworn to before me on  
this 2 day of April, 2015.

  
Notary Public for South Carolina

My commission expires: 7/2/16