

ADMINISTRATIVE PROCEEDING

BEFORE THE

SECURITIES COMMISSIONER OF SOUTH CAROLINA

IN THE MATTER OF:)
)
WealthBuilders.Name, LLC,) **ORDER TO CEASE AND DESIST**
John Lee Huffman,) **File No. 17016**
)
)
 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 received information regarding alleging securities-related activities of WealthBuilders.Name, LLC (“WealthBuilders”), and John Lee Huffman (“Huffman”) (collectively, the “Respondents”); and

WHEREAS, based on the information received, the Division decided it was necessary and appropriate to open an investigation pursuant to S.C. Code Ann. § 35-1-602 to determine whether the Respondents had violated, were violating, or were about to violate the Act; and

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

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 WealthBuilders was a limited liability company organized in Wyoming.
3. Respondent WealthBuilder's registration was administratively dissolved by the State of Wyoming on January 9, 2016.
4. Respondent WealthBuilders' last known address is 4385 Black River Road, Dalzell, South Carolina 29040.
5. Respondent Huffman is a South Carolina resident with a last known address of 4385 Black River Road, Dalzell, South Carolina 29040.

III. FINDINGS OF FACT

6. Respondent Huffman is the founding member and Chief Executive Officer of Respondent WealthBuilders.
7. At all times relevant to this order, Respondent Huffman was a member, owner, and chief control person of Respondent WealthBuilders.
8. On or around June 28, 2015, Respondent Huffman solicited an investor to invest \$4,184 with Respondents Huffman and WealthBuilders.
9. Between June 28, 2015 and September 2, 2015, based on Respondent Huffman's representations that the investor could make money without doing anything except investing, the investor sent approximately \$4,184 to Respondents Huffman and WealthBuilders.
10. At the time of the investment, Respondent WealthBuilders had an online address of <http://wealthbuilders.name/>.
11. Respondent WealthBuilders' promotional material describes a "force-filled matrix" where current investors receive money from the investments of later investors.

12. No product or commodity is or was marketed through Respondent WealthBuilders.
13. The 2001 bankruptcy filing of Respondent Huffman was not disclosed to the investor or any potential investor.
14. Further, during the time period of the transaction above, neither Respondent Huffman nor Respondent WealthBuilders was registered with the Securities Division to offer or sell securities in this State.
15. Likewise, the securities being offered by Respondents Huffman and WealthBuilders were not registered for sale or notice filed in this State.
16. No exemption has been claimed on behalf of either Respondent or the security; neither has any notice filing been made on behalf of either Respondent or the security.

IV. CONCLUSIONS OF LAW

17. The South Carolina Uniform Securities Act of 2005, S.C. Code Ann. § 35-1-101, *et seq.*, governs the offer and sale of securities in this State.
18. Pursuant to S.C. Code Ann. § 35-1-102(29), notes, investment contracts, stock, and certificates of interest or participation in profit-sharing agreements, *inter alia*, constitute securities.
19. Pursuant to S.C. Code Ann. §§ 35-1-301, 35-1-401, and 35-1-402, it is unlawful for a person to offer or sell a security in this State unless the person is properly registered or exempt, and the security is a federal covered security, exempt from registration, or registered.
20. 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 business that operates or would operate as a fraud or deceit upon another person.

21. The security offered and sold by the Respondents was offered and sold in violation of S.C. Code Ann. § 35-1-301.
22. The Respondents, on at least one occasion, further, transacted business in this State as a broker-dealer, issuer or agent in violation of S.C. Code Ann. §§ 35-1-401 and 35-1-402.
23. The Respondents, further, on at least one occasion and in connection with the offer, sale, or purchase of the WealthBuilders security, directly or indirectly (1) employed a device, scheme, or artifice to defraud; (2) made an untrue statement of a material fact or omitted 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) engaged in an act, practice, or course of business that operated or would operate as a fraud or deceit upon another person, in violation of S.C. Code Ann. § 35-1-501.
24. It is in the public interest, for the protection of investors, and consistent with the purposes of the Act that the Respondents be ordered to cease and desist from engaging in the above-enumerated practices and pay a monetary penalty.

CEASE AND DESIST ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

- a. Respondent WealthBuilder, and every successor, affiliate, control person, agent, servant, and employee of WealthBuilder, and every entity owned, operated, or indirectly or

directly controlled by or on behalf of WealthBuilder, **CEASE AND DESIST** from transacting business in this State in violation of the Act; and

- b. Respondent John Lee Huffman, and every control person, agent, servant, employee and entity owned, operated, or indirectly or directly controlled by or on behalf of Huffman, **CEASE AND DESIST** from transacting business in this State in violation of the Act; and
- c. Respondent Huffman pay a civil penalty in the amount of forty thousand dollars (\$40,000) if this Order becomes effective by operation of law, or, if the Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000 for each violation of the Act by Respondent Huffman, and the actual cost of investigation or proceeding; and
- d. Respondent WealthBuilders pay a civil penalty in the amount of forty thousand dollars (\$40,000) if this Order becomes effective by operation of law, or, if the Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000 for each violation of the Act by WealthBuilders, and the actual cost of investigation or proceeding; and

IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. §§ 35-1-604(a)(2) and (3), any exemption from registration with the Division upon which the Respondents may claim to rely under S.C. Code Ann. §§ 35-1-201(3)(C), (7), or (8); 35-1-202; 35-1-401(b)(1)(D) or (F); or 35-1-403(b)(1)(C), has been **PERMANENTLY REVOKED** as of the date of this Order to Cease and Desist.

REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING

Each Respondent is hereby notified that he/it 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 issuance of this Order to Cease and Desist, a written Answer specifically requesting a hearing. If a written Answer and request for a hearing is received within the thirty (30) day period, the Division, within fifteen (15) days after receipt of the written answer and request, will schedule a hearing for the Respondent making the request.

In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation in this Order, 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.

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.

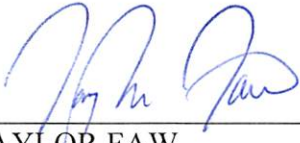
This Order does not prevent the Division or any other law enforcement agency from seeking additional civil or criminal remedies as are available under the Act, including remedies related to the offers and sales of securities by the Respondents set forth above.

ENTERED, this the 12th day of April, 2017.

ALAN WILSON
SECURITIES COMMISSIONER

By: 
TRACY A. MEYERS
Deputy Securities Commissioner

ISSUANCE REQUESTED BY:



TAYLOR FAW
Assistant Attorney General
Securities Division
Rembert C. Dennis Building
1000 Assembly Street
Columbia, South Carolina 29201

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND
AFFIDAVIT OF COMPLIANCE
File Number 17016

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated below and dated April 12, 2017, 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:

Mr. John Lee Huffman
Individually & as CEO of
WealthBuilders.Name, LLC
4385 Black River Road
Dalzell, SC 29040

Document(s): Order to Cease and Desist

Mailed April 13, 2017 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
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 13 day of April, 2017.


Notary Public for South Carolina

My commission expires: 7/2/2018