

ADMINISTRATIVE PROCEEDING

BEFORE THE

SECURITIES COMMISSIONER OF SOUTH CAROLINA

IN THE MATTER OF:)
) **ORDER TO CEASE AND DESIST**
Robert Stanley Harrison, and)
Investors Choice Advisors, LLC,) **File No. 12027**
)
)
Respondents.)

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, et seq. (Supp. 2011), received information regarding alleged activities of Robert Stanley Harrison ("Harrison") and Investors Choice Advisors, LLC (collectively, "the Respondents") which, if true, would constitute violations of the Act; and

WHEREAS, the information led the Division to open and conduct an investigation of the Respondents 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:

1. Harrison is a South Carolina resident with a last known address of 1015 Three Bridges Road, Easley, South Carolina 29642.
2. Investors Choice Advisors, LLC ("Investors Choice") is a South Carolina company.
3. Investors Choice's last known address, as shown in the records of the South Carolina Secretary of State, is 1015 Three Bridges Road, Easley, South Carolina 29642.

4. At all times relevant herein, Harrison controlled and/or acted as the primary control person, owner, and manager of Investors Choice.
5. At all times relevant herein, Respondents conducted business from the address above and/or other addresses located within the state.
6. During the period on or about November, 2010 to present, Respondents offered and sold investments totaling in excess of one million dollars (\$1,000,000.00).
7. Respondents used personal contacts, agents, websites promoting the offerings, conference calls and other investors to identify, recruit and solicit potential investors, for their investment opportunities.
8. Investor paperwork and testimony documenting Respondents sales pitches indicate what investors were told varied, both concerning the investment vehicle in which they were solicited to invest and the anticipated amount and timing of the returns they could expect.
9. One or more of the investors solicited in this State was offered the opportunity to invest in an offering the Respondents promised would double the amount invested within three months.
10. One or more of the investors solicited in this State was offered the opportunity to invest in an offering the Respondents promised would double the amount invested in 60 days.
11. One or more of the investors solicited in this State was told by Respondents his money would be placed in a trading account to be used for foreign currency trading.
12. One or more of the investors solicited by Respondents in this State for the foreign currency trading opportunity was told his money would be held in an account which had "no risk associated with it" while one or more of the other investors solicited in this State by Respondents for the foreign currency trading opportunity was told there would be a

"minimal risk" associated with the foreign currency trading account in which

Respondents said invested money would be placed.

13. All of the investors referred to in items 9-12 above were told all they had to do to invest with Respondents was send money, and all indicated they expected the return promised to them by Respondents to occur with no further effort on their (the investors) part.
14. When asked about the investments, Respondent Harrison acknowledged accepting funds for investment from "400 or 500" investors and pooling the investor funds.
15. Harrison, further, acknowledged it was his and Investors Choice's responsibility to use the invested funds to "generate profits" for the investors.
16. The investments Respondents offered in the offerings detailed above constitute "securities," as that term is defined by the Act.
17. Respondents offered and sold the securities from the State of South Carolina to investors residing both in South Carolina and in other states throughout the United States.
18. At the time the Respondents offered and sold the securities, Respondent Harrison was not registered with the Division to issue, offer or sell securities, or give financial advice.
19. During the period, Harrison, specifically, was not registered with the Division as a broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, issuer or issuer agent.
20. At the time the Respondents offered and sold the securities, Respondent Investors Choice was not registered with the Division to issue, offer or sell securities, or give financial advice.

21. During the period, Investor's Choice, specifically, was not registered with the Division as a broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, issuer or issuer agent.
22. No exemption from registration has been claimed for Harrison, Investors Choice, or the securities Respondents offered and sold.
23. In connection with the offers and sales of securities in this State detailed above, Respondents engaged in fraud.
24. Specifically, Respondent Harrison had multiple prior felony convictions which were not disclosed when he offered and sold securities to one or more of the investors above.
25. Further, in one or more instances, Respondents did not use investor funds in the manner they told the investor(s) the funds would be used.
26. Respondent Harrison, acting on behalf of himself and Respondent Investors Choice, on one or more occasions, claimed to (1) put investor money in a "group portfolio," (2) trade the group portfolio, and (3) "take positions" to "ensure" the group portfolio.
27. Evidence received in the investigation contradicts Respondent Harrison's claims.
28. Specifically, no evidence was found of any "group portfolio."
29. Evidence was identified, however, which indicates Harrison took investor money and placed it in bank accounts which he used to pay personal expenses.
30. A portion of investor funds, additionally, was transferred to a trading account which Harrison established but which was titled in an alias used by Harrison.
31. In connection with the Respondents offer and sale of securities, Respondent Harrison participated in calls in which he discussed "trading and the world markets" with investors and potential investors.

32. On one or more of the calls, Harrison portrayed himself as a successful trader.
33. During one or more of the other investor solicitations, Harrison portrayed himself as a successful trader.
34. In reality, Respondent Harrison was not a successful trader.
35. Harrison, further, failed to disclose to investors solicited after June, 2011 that he had previously had a commodities trading account frozen by a firm as a result of his failure to pay losses he incurred in trading pursuant to the terms of the account agreement.
36. Further, with respect to persons investing with Respondents after December 6, 2011, Respondents failed to disclose a judgment had been levied against Respondent Harrison for his failure to pay losses he incurred in commodities trading.
37. Respondents further engaged in fraud when they failed to tell one or more of their investors that investment in their offerings was risky, when they represented to one or more investors their trading scheme had “no risk,” and when they represented to one or more other investors the scheme had “minimal risk.”
38. Respondents’ statements above were fraudulent because the truth was multiple risks were associated with the investments Respondents offered.
39. An investment in any of the securities described above which Respondents offered would correctly be classified as a risky investment, based on a number of factors, including but not limited to the following: Respondent Harrison’s prior convictions; Respondent Harrison’s prior (unsuccessful) trading experience; the capital structure and financial solvency of the Respondents and/or their ventures, including the sources and uses of promoter and investor funds; the risk of loss by an investor of a significant amount or all principal invested; the lack of oversight in terms of internal and/or external controls over

the promoters regarding their use of investor funds; and the risk of use of investor funds in a manner other than what was represented to the investor.

WHEREAS, Respondents solicited and sold investments which constitute "securities," pursuant to S.C. Code Ann. § 35-1-102(29), and did so in this State, as that term is defined by S.C. Code Ann. § 35-1-610(c); and

WHEREAS, Respondent Harrison acted as a broker-dealer, agent, investment adviser, and/or issuer in offering and selling the securities in South Carolina; and

WHEREAS, Respondent Investors Choice acted as a issuer in offering and selling the securities in South Carolina; and

WHEREAS, during the time period in which Respondents so acted they were not registered under the Act to so act; and

WHEREAS, the securities Respondents offered and sold in South Carolina were not registered, federal covered, or exempt under the Act; and

WHEREAS, in connection with the offer and sale of the securities described above, Respondents Harrison and Investors Choice made untrue statements of material fact(s) and/or omitted to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and

WHEREAS, based on the foregoing, the Division has determined that Harrison and Investors Choice have engaged in acts and practices which violate S.C. Code Ann. §§ 35-1-301, 35-1-401 to -404, and 35-1-501; and

WHEREAS, based on the foregoing, 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 issue the following Order:

CEASE AND DESIST ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), IT IS HEREBY ORDERED that Harrison and Investors Choice and every successor, affiliate, control person, agent, servant, and employee of Harrison or Investors Choice, and every entity owned, operated, or indirectly or directly controlled by or on behalf of Harrison or Investors Choice:

- a. Immediately cease and desist transacting business in this State in violation of the Act, and in particular, S.C. Code Ann. §§ 35-1-301, 35-1-401 to -404(a) and (d), and 35-1-501 thereof; and
- b. Pay a civil penalty in the amount of twenty thousand dollars (\$20,000.00) per Respondent and reimburse the Division investigative costs in the amount of five thousand dollars (\$5,000) per Respondent for each Respondent for which this Order becomes effective by operation of law, or, if either Respondent seeks a hearing and any legal authority resolves this matter as to that Respondent, pay a civil penalty in an amount not to exceed ten thousand dollars (\$10,000.00) for each violation of the Act by that Respondent and the actual cost of the investigation or proceeding.

REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING

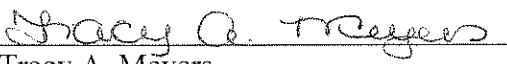
Respondents Harrison and Investors Choice are hereby notified they each have the right to a hearing on the matters contained herein. To schedule such a hearing, within thirty (30) days after the date of service of this Order, a Respondent must file with the Securities Division, Post Office Box 11549,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

In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation of the Order, shall set forth specific facts on which he relies, and shall set forth concisely the matters of law and affirmative defenses upon which he 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 (30) day period stated above shall be deemed a waiver by that Respondent of his right to a hearing. Failure of a Respondent to file an Answer, including a request for a hearing, shall result in this Order becoming final as to that Respondent by operation of law.

CONTINUING TO ENGAGE IN ACTS DETAILED BY THIS ORDER AND/OR SIMILAR ACTS MAY RESULT IN THE DIVISION'S FILING ADDITIONAL ADMINISTRATIVE ACTIONS AND/OR SEEKING FURTHER ADMINISTRATIVE FINES. WILLFUL VIOLATION OF THIS ORDER COULD RESULT IN CRIMINAL PROSECUTION. REGARDING MATTERS DESCRIBED HEREIN, THIS ORDER DOES NOT PRECLUDE THE FILING OF PRIVATE CAUSES OF ACTION OR THE FILING OF CRIMINAL CHARGES UNDER S.C. CODE ANN. § 35-1-508 OR ANY OTHER APPLICABLE CODE SECTION.

SO ORDERED, This 21st day of September, 2012.


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