

ADMINISTRATIVE PROCEEDING

BEFORE THE

SECURITIES COMMISSIONER OF SOUTH CAROLINA

IN THE MATTER OF:)
) **ORDER TO CEASE AND DESIST**
Robert Marzbanian)
)
) **File No. 10023**
Respondent.)

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 August 28, 2009, received information regarding alleged activities of Robert Marzbanian ("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:

1. At all times relevant, Respondent is a South Carolina resident with an address of Post Office Box 7633, Hilton Head Island, South Carolina, 29938.
2. TKWR Inc. was a business incorporated with the South Carolina Secretary of State, with an address of 5 Enterprise Lane, Hilton Head Island, South Carolina, 29926.
3. At all times relevant, William Winans is a South Carolina resident with an address of 13 Blue Heron Point, Hilton Head Island, South Carolina, 29926.

4. Prior to December 21, 2007, Winans was sole owner of TKWR Inc.
5. On December 21, 2007, Respondent purchased 100 shares of stock in TKWR Inc., giving him a 50 percent share in the company.
6. On August 21, 2008, the purchase agreement between Winans and Respondent was amended to transfer an additional 30 shares of the stock of the company giving respondent a 65 percent share of TKWR Inc.
7. Respondent served as President of TKWR Inc. and controlled the day to day activities of the company.
8. Stock in TKWR Inc. is a security as defined by the Act.
9. The stock in TKWR was not registered as a security with the Division.
10. Respondent was not registered to sell securities with the Division.
11. On November 8, 2008, TKWR Inc. filed for Chapter 11 Bankruptcy with the United States Bankruptcy Court, District of South Carolina.
12. Antoine H. Iskandar is a resident of South Carolina, with an address of 181 Summerton Drive, Bluffton South Carolina, 29910.
13. On February 20, 2009, Respondent sold Iskandar 20 shares of stock in TKWR Inc. for a purchase price of 107,143 dollars.
14. Respondent did not inform Iskandar prior to the purchase that TKWR Inc. was in bankruptcy at the time.
15. Respondent represented to Iskandar that the proceeds of the sale of the stock would be adequate to resolve any financial problems in TKWR Inc.
16. The payment 107,143 dollars was made directly to Respondent from Iskandar.
17. Respondent did not notify the United States Bankruptcy Court of the sale of the stock.

WHEREAS, the Respondent offered “securities” within the meaning of S.C. Code Ann. § 35-1-102(29); and

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

WHEREAS, Respondent is not registered as a broker-dealer or investment advisor in South Carolina or exempt from registration within the meaning of the Act; and

WHEREAS, Respondent, as described above, acted as an agent by effecting and/or attempting to effect sales of securities in or from this State; and

WHEREAS, Respondent is not registered in South Carolina or exempt from registration as an agent within the meaning of the Act; and

WHEREAS, the securities Respondent offered and sold in and from South Carolina were not (i) registered, (ii) federal covered securities, or (iii) otherwise exempt within the meaning of the Act; and

WHEREAS, the Respondent, in connection with the solicitation of participants described above, made untrue statements of material facts and/or omitted to state 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 the Respondent has engaged, is engaging, and/or is about to engage in acts and practices which violate S.C. Code Ann. §§ 35-1-301, 35-1-402(a) and (d), and 35-1-501; 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 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 Respondent and every successor, affiliate, control person, agent, servant, and employee of Respondent, and every entity owned, operated, or indirectly or directly controlled by or on behalf of the Respondent:

- a. Immediately cease and desist from transacting business in this State in violation of the Act, and in particular, S.C. Code Ann. §§ 35-1-301, 35-1-402(a) and (d), and 35-1-501 thereof; and
- b. Pay a civil penalty in the amount of five thousand dollars (\$5,000.00) and reimburse the Division one thousand dollars (\$1,000) for the cost of the investigation if this Order becomes effective by operation of law, or, if Respondent seeks a hearing and any legal authority resolves this matter, 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

The Respondent is hereby notified that he has the right to a hearing on the matters contained herein. To schedule such a hearing, 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 Order 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 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 (30) day period stated above shall be deemed a waiver by that Respondent of his 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, 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 2nd day of August, 2012.



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