

ADMINISTRATIVE PROCEEDING

BEFORE THE

SECURITIES COMMISSIONER OF SOUTH CAROLINA

IN THE MATTER OF:

**LEGEND SECURITIES, INC.,
CRD # 44952**

Respondent.

**CONSENT ORDER
File No. 14108**

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 securities-related activities of Legend Securities, Inc. ("Legend" or the "Respondent"); and

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

WHEREAS, in connection with its investigation, the Division determined certain acts of the Respondent constituted violations of the Act;

WHEREAS, on March 18, 2016, the Division issued an Administrative Order naming Legend as Respondent, identifying violations of the Act, ordering the Respondent to cease and desist from violating the Act, ordering the Respondent to pay an administrative fine, and censuring the Respondent (the "Administrative Order");

WHEREAS, the Respondent indicated its desire to resolve this matter by Consent Order rather than by formal hearing before the Securities Commissioner and worked with the Division to reach an agreement acceptable to both as memorialized below; and

WHEREAS, the Respondent admits the jurisdictional allegations herein but otherwise neither admits nor denies any violations of the Act; and

WHEREAS, the Securities Commissioner finds the investor protections and remedies in this Consent Order both appropriate and in the public interest for the protection of investors and the capital markets of the State of South Carolina;

NOW, THEREFORE, IT IS HEREBY ORDERED, and the Respondent expressly consents and agrees that:

- A. The Respondent will immediately cease and desist from violating the Act;
- B. The Respondent will immediately stop opening any new accounts for any South Carolina resident;
- C. The Respondent will immediately stop executing any buy or purchase orders for South Carolina resident clients and any other order not intended to wind down the account;
- D. The Respondent will contact all South Carolina resident clients within three (3) business days of the date of this Order to advise the clients of the existence of the Administrative Order and this Order and of the need to transfer their accounts to another broker-dealer;
- E. The Respondent will provide all South Carolina resident clients contact information for the associated clearing broker to allow South Carolina clients to liquidate their account(s) directly through the associated clearing broker;
- F. The Respondent will not assess, charge, or otherwise impose on South Carolina clients any fees not directly associated with costs incurred by or imposed on the Respondent,

including but not limited to commissions, account closing fees, and any of the unreasonable fees identified in the Administrative Order;

- G. The Respondent will notify the Division immediately upon the close or transfer of the last South Carolina resident account;
- H. Thirty (30) days from the date of this Order, the Respondent will provide the Division a report providing the name and contact information of any remaining South Carolina resident accounts held at the Respondent as of that date;
- I. The Respondent's registration in South Carolina as a broker-dealer will terminate after the close or transfer of the last South Carolina resident account or sixty (60) days after the date of this Order, whichever comes first;
- J. The Respondent, and any commonly controlled entity,¹ agrees not to apply for registration for a period of seven (7) years from the date of revocation; and
- K. The Respondent will pay a fine in an amount equal to thirty thousand dollars (\$30,000) in conjunction with the execution of this Order.

Upon execution by the Securities Commissioner, this Order resolves Administrative Proceeding 14108 as it relates to the Respondent.

The parties to this Order agree the Order does not and should not be interpreted to waive any (i) criminal cause of action, (ii) private cause of action that may have accrued to any investor(s), (iii) action of any kind in any type of bankruptcy proceeding(s), or (iv) other causes of action which may result from any activity of the Respondent not detailed above or which may hereafter arise.

¹ For purposes of this Consent Order, the term "commonly controlled entity" means any entity in which any combination of the ownership group of the Respondent as of the date of the Administrative Order owns, directly or indirectly, either greater than 50% of all voting stock or greater than 50% of the value of all classes of stock of such corporate entity or owns a controlling interest in any other such business entity.

IT IS SO ORDERED this 30 day of June, 2016.

By: Alan Wilson
Alan Wilson
Securities Commissioner
State of South Carolina

WE CONSENT:

Securities Division of the Office of the Attorney General:

By: Jordan Crapps
Jordan Crapps
Assistant Attorney General
Securities Division

Date: 6/30/16

Respondent Legend Securities, Inc:

By: Anthony Fusco
Anthony Fusco
Chief Executive Officer

Date: 6/29/16

**S.C. ATTORNEY
GENERAL'S OFFICE**

JUN 30 2016

SECURITIES DIVISION