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THE NORTH CAROLINA SECURITIES DIVISION, )

Petitioner, )

vs. )

PMC STRATEGY, LLC and )

ANY AND ALL DIRECTORS, AGENTS, )  
AND OTHER PERSONS IN ACTIVE CONCERT )  
AND PARTICIPATION WITH )  
PMC STRATEGY, LLC )

Respondents. )

TEMPORARY ORDER

TO

CEASE AND DESIST

FILE NO. 11SEC027

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Pursuant to the authority granted by Chapter 78A of the North Carolina General Statutes (the North Carolina Securities Act), hereinafter referred to as the "Securities Act," and the rules promulgated thereunder, the Securities Division of the Department of the Secretary of State, hereinafter referred to as the "Securities Division," has investigated the activities of **PMC STRATEGY, LLC** and **ITS DIRECTORS, AGENTS, AND OTHER PERSONS IN ACTIVE CONCERT AND PARTICIPATION WITH PMC STRATEGY, LLC** (hereinafter, the "Respondents") to determine if any one of them have engaged in, or are about to engage in, any act or practice constituting a violation of the Securities Act or any rule or order thereunder.

**THE SECURITIES DIVISION** has filed an Administrative Petition against the above-named Respondents seeking, among other remedies, a temporary and summary Cease and Desist Order pursuant to the provisions of N.C.G.S. §78A-47(b)(2).

**THE SECRETARY OF STATE**, acting by and through her duly authorized Deputy Securities Administrator, from the investigation and the information derived therein, and for the protection and preservation of the public welfare and in the public interest, makes the following:

### **FINDINGS OF FACT**

1. Respondent **PMC STRATEGY, LLC** (hereinafter “PMC” or “Respondent”) is a limited liability company formed on June 18, 2008 in the State of North Carolina. PMC purports to maintain a business office at 1829 Dickerson Blvd, Suite 114, Monroe, North Carolina 28110.
2. PMC is a North Carolina member-managed limited liability company. PMC is not registered as a “dealer” with the Securities Administrator to sell securities under N.C.G.S. § 78A-36.
3. Beginning in July 2008, PMC offered investments to investors in North Carolina. Regarding one investment option, investors and PMC would each receive fifty percent (50%) of the profits earned on the principal investment. PMC told clients that PMC was investing in the foreign currency market.
4. PMC also offered an investment that paid investors five percent (5%) interest monthly on their principal amounts. Investors were required to invest at least \$10,000.00. PMC represented to investors that the money would be invested in the foreign currency market.
5. PMC offered and sold the investments noted above from North Carolina to individuals residing in North Carolina. In either investment option, investors relied upon the expertise of PMC and its affiliated persons to realize a profit from their investments. Investors were passive and did not exercise any control or management over Respondents, or any of PMC’s investing decisions.

6. The offer and sale of the investments noted above and as described herein, constitute the “offer” and “sale” of “securities,” as those terms are defined pursuant to N.C.G.S. §§ 78A-2(8) and 78A-2(11).

7. The investments were not registered with the Securities Division of the Department of the Secretary of State under the provisions of the North Carolina Securities Act prior to being offered and sold in North Carolina, as required by N.C.G.S. §78A-24.

8. PMC has never been registered as a “dealer” to sell securities in North Carolina, as required by N.C.G.S. §78A-36(a).

9. It is in the public interest of the citizens of North Carolina and for the protection of investors that Respondents be prohibited from violating the provisions of the Securities Act in connection with selling or making offers to sell securities, buying or soliciting offers to buy securities.

10. Respondents presently continue to have the ability to offer and sell securities to persons in North Carolina in violation of the provisions of N.C.G.S §§78A-24 and 78A-36.

11. The Respondents’ solicitation of investors poses an immediate and significant danger to the public welfare because the securities offered have not been registered with the Division. Proper registration of securities is an essential safeguard serving to protect the public from securities fraud. In addition, the registration as a dealer or salesman, as required by the Securities Act, is essential to ensure that persons transacting business in this State are competent and properly authorized to do so.

12. An immediate Temporary Order to Cease and Desist is necessary and appropriate to address Respondents’ violations of the North Carolina Securities Act. Any delay in issuing an order under N.C.G.S. §78A-47(b)(1) will result in irreparable harm to the public interest by allowing persons to continue to transact business in North Carolina in violation of its laws, and

to its citizens in the form of economic loss resulting from investment in securities sold in violation of its laws.

### CONCLUSIONS OF LAW

1. The Secretary has statutory authority pursuant to N.C.G.S. §78A-47(b)(2) to enter and issue a Temporary Order to Cease and Desist against the Respondents.
2. There is reasonable cause to believe the Respondents have engaged in willful violations of the North Carolina Securities Act, specifically N.C.G.S. §§78A-24 and 78A-36.
3. There is reasonable cause to believe the Respondents will continue to commit acts and omissions in violation of the North Carolina Securities Act.
4. It is necessary and appropriate for the protection and preservation of the public interest that the Respondents are temporarily and summarily ordered to cease and desist from making offers and sales of securities in violation of the North Carolina Securities Act.
5. The public interest would be irreparably harmed by the delay inherent in issuing an order under the provisions of N.C.G.S. §78A-47(b)(1).

**NOW, THEREFORE, IT IS ORDERED**, pursuant to the authority contained in N.C.G.S. §78A-47(b)(2), that Respondents shall immediately cease and desist from:

- a. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, promissory notes or other security, howsoever denominated, unless and until such securities have been registered pursuant to the provisions of the Securities Act; and
- b. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, promissory notes or other security, howsoever denominated, unless and until Respondents become registered pursuant to the provisions of the Securities Act as dealers or salesmen.

