

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF SOUTH CAROLINA**

IN THE MATTER OF:)	
)	
ALETHEIA SECURITIES, INC.)	RULE TO SHOW CAUSE
CRD # 44784,)	
)	File Number 14075
RESPONDENT)	
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WHEREAS, Respondent Aletheia Securities, Inc., (“Respondent” or “Aletheia”) CRD #44784, at all times material herein, was and currently is registered with the State of South Carolina as a broker-dealer pursuant to S.C. Code Ann. § 35-1-406; and

WHEREAS, the Financial Industry Regulatory Authority (“FINRA”) is a self-regulatory organization, and, during the relevant time period, Respondent was a member of FINRA; and

WHEREAS, on or about May 2, 2013, FINRA, pursuant to FINRA Rule 9552(f), suspended Aletheia’s registration for Aletheia’s failure to file its May 2013 FOCUS Report; and

WHEREAS, on or about July 18, 2013, FINRA expelled Aletheia for its failure to request termination of suspension, which is grounds for automatic expulsion pursuant to FINRA Rule 9552(h); and

WHEREAS, the Securities Commissioner of the State of South Carolina (“Commissioner”) has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a); and

WHEREAS, § 35-1-412(b) authorizes the Securities Commissioner to issue an order revoking, suspending, conditioning, or limiting the registration of a registrant if the

Commissioner finds that the order is in the public interest and subsection (d) of § 35-1-412 authorizes the action; and

WHEREAS, § 35-1-412(c) authorizes the Securities Commissioner to issue an order censuring, barring, or imposing a civil penalty in an amount not to exceed \$10,000 for each violation, on a registrant, if the Commissioner finds that the order is in the public interest and subsection (d) of § 35-1-412 authorizes the action; and

WHEREAS, § 35-1-412(d)(5)(C) of the Securities Act states that a person who:

is the subject of an order, issued after notice and opportunity for hearing [by] the Securities and Exchange Commission or a self-regulatory organization suspending or expelling the registrant from membership in the self-regulatory organization

is subject to discipline pursuant to S.C. Code Ann. §§ 35-1-412(a), (b), and (c); and

WHEREAS, FINRA, a self-regulatory organization, expelled the Respondent from membership in FINRA; and

WHEREAS, 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 revoke the Respondent's registration as a broker-dealer in the State of South Carolina and bar Respondent from the securities and investment advisory business in the State of South Carolina.

ACCORDINGLY, IT IS HEREBY ORDERED that Respondent show cause why an order should not be issued against Respondent, revoking Respondent's broker-dealer registration

and barring Respondent from the securities and investment advisory business in the State of South Carolina; and

IT IS FURTHER ORDERED that Respondent's failure to file a written answer, including any request for a hearing, within thirty (30) days from the date of service of this Rule to Show Cause, shall be deemed a waiver by Respondent of the right to a hearing and result in the entry of a Final Order revoking Respondent's broker-dealer registration in the State of South Carolina and barring Respondent from the securities and investment advisory business in the State of South Carolina.

Entered, this the 28th day of August, 2014

SOUTH CAROLINA
SECURITIES DIVISION

By: Tracy Meyers
TRACY MEYERS
Assistant Deputy Attorney General
Securities Division
Post Office Box 11549
Columbia, South Carolina 29211
(803) 734-4731

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND
AFFIDAVIT OF COMPLIANCE
File Number 14075

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated below and dated August 28, 2014, 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:

Aletheia Securities, Inc.
100 Wilshire Blvd., Suite 1900
Santa Monica, CA 90401

Document(s): Rule to Show Cause

Mailed August 28, 2014 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 28th day of August, 2014.

Facsimile
Notary Public for South Carolina

My commission expires: 3-10-18