

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

**IN THE MATTER OF:**

**James Adams Paquette,**

**Respondent.**

**ADMINISTRATIVE ORDER**

**Matter No. 20183960**

**I. PRELIMINARY STATEMENT**

Pursuant to the authority granted to the Securities Commissioner of South Carolina (the “Securities Commissioner”) under the South Carolina Uniform Securities Act of 2005 (the “Act”) and delegated to the Securities Division of the Office of the Attorney General of the State of South Carolina (the “Division”) by the Securities Commissioner, the Division conducted an investigation into certain securities-related activities of James Adams Paquette, CRD No. 2164109 (“Paquette” or the “Respondent”), and, in connection with its investigation, has determined that evidence exists to support the following findings of fact and conclusions of law:

**II. JURISDICTION**

1. The Securities Commissioner has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a).

**III. RESPONDENT**

2. Paquette is a resident of the State of South Carolina with a last known address of 2802 Middle Street, Sullivan’s Island, South Carolina 29482.

**IV. FINDINGS OF FACT**

3. The Respondent was registered with the Division as an agent while associated with a number of broker-dealers, beginning in 1991. Most recently, the Respondent was registered with Vestech Securities, Inc., CRD No. 41409 (“Vestech”), until January 15, 2019.

4. On October 12, 2016, the Respondent was indicted by the Charleston County Grand Jury for Criminal Sexual Conduct in the Third Degree (the “Indictment”).<sup>1</sup>

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<sup>1</sup> *State of South Carolina v. James A. Paquette*, 2016-GS-1005843.

5. The Respondent failed to file an amendment to his Form U-4 disclosing the Indictment until June 21, 2017.

6. On January 10, 2019, a Charleston County jury found the Respondent guilty of Criminal Sexual Conduct in the Third Degree. The Respondent was subsequently sentenced to ten (10) years in prison.

7. On January 15, 2019, the Respondent was terminated by Vestech, which resulted in the termination of his registration with the Division.

#### **V. CONCLUSIONS OF LAW**

8. The Respondent failed to amend his Form U-4 to reflect the Indictment within thirty (30) days, in violation of S.C. Code of Regulations § 13-501(C) and S.C. Code Ann. § 35-1-412(d)(13).

9. The Respondent was convicted of a felony on January 10, 2019.

10. S.C. Code Ann. § 35-1-412(d)(3) and the Respondent's violation of S.C. Code Ann. §35-1-412(d)(13) provide the basis for this order, pursuant to S.C. Code Ann § 35-1-402(c).

11. This Order is in the public interest.

#### **VI. ORDER**

Pursuant to S.C. Code Ann. § 35-1-412(c), it is hereby ORDERED that:

- a. The Respondent is BARRED from registration as an agent or investment adviser representative in the State of South Carolina; and
- b. The Respondent shall pay a civil penalty in the amount of five thousand dollars (\$5,000) if this Order becomes effective by operation of law, or, if the Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000.00 for each violation of the Act by the Respondent and the actual cost of the investigation or proceeding.

## **VII. 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, the Respondent must file with the Securities Division, Post Office Box 11549, Rembert C. Dennis Building, Columbia, South Carolina, 29211-1549, attention: Securities Division, within thirty (30) days after the date of service of this Order, a written Answer specifically requesting a hearing. If the Respondent requests a hearing, the Division, within fifteen (15) days after receipt of a request in a record from the Respondent, will schedule a hearing for the Respondent.

Failure by the Respondent to file a written request for a hearing in this matter within the thirty-day (30) period stated above shall be deemed a waiver by the Respondent of the right to such a hearing. Failure of the Respondent to request a hearing shall result in this Order, including the stated civil penalty and any assessed costs, becoming final as to the Respondent by operation of law.

This Order does not prevent the Division, or any other agency, including, without limitation, civil and criminal law enforcement agencies, from seeking additional civil or criminal remedies that are available under the Act, including remedies related to the securities-related activity of the Respondent set forth above.

**ENTERED**, this the 30 day of April, 2019.

ALAN WILSON  
SECURITIES COMMISSIONER

By:   
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JONATHAN B. WILLIAMS  
Assistant Deputy Attorney General

STATE OF SOUTH CAROLINA  
OFFICE OF THE ATTORNEY GENERAL  
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND  
AFFIDAVIT OF COMPLIANCE  
File Number 20183960

I hereby certify that I served upon the individual/entity listed below a copy of the document(s) indicated below and dated April 24, 2019, 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:

James Adams Paquette  
2802 Middle Street  
Sullivan's Island, SC 29482

Document(s): Administrative Order

Mailed May 1, 2019, from Columbia, South Carolina.

I further hereby certify, swear, and affirm that service is in compliance with S.C. Ann. §§ 35-1-611 and 36-2-806.



By: Mallory Morris  
MALLORY MORRIS  
South Carolina Attorney General's Office  
Securities Division  
Post Office Box 11549  
Columbia, South Carolina 29211-1549  
803-734-0789

Subscribed and sworn to before me on  
this 1<sup>st</sup> day of May, 2019.

Miriam W. Raines  
Notary Public for South Carolina  
My commission expires: 2/7/2022

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