

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

**IN THE MATTER OF:** )  
 )  
**James Hal Heafner,** )  
**CRD No. 4837072,** )  
 )  
**Respondent.** )  
\_\_\_\_\_ )

**ADMINISTRATIVE ORDER:  
REVOCATION OF BROKER-DEALER  
AGENT/INVESTMENT ADVISER  
REPRESENTATIVE REGISTRATION**

**Matter No. 20186002**

**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, S.C. Code Ann. § 35-1-101, *et seq.* (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 the securities-related activities of James Hal Heafner (CRD No. 4837072) (the “Respondent”), and in connection with its investigation, the Division has determined that Respondent violated the Act.

**II. JURISDICTION**

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

**III. RESPONDENT**

2. The Respondent is a broker-dealer agent and investment adviser representative registered with the Division with a business address of 10700 Sikes Place, #150, Charlotte, North Carolina 28277.

3. The Respondent has been registered with the Division as a broker-dealer agent since November 21, 2006, and as an investment adviser representative since March 9, 2009.

#### **IV. FINDINGS OF FACT**

4. On April 10 2019, the Financial Industry Regulatory Authority (“FINRA”) requested that the Respondent appear for on-the-record testimony in connection with its inquiry into the Respondent’s possible involvement in an outside business activity that was not approved by the broker-dealer he was associated with until January 22, 2018.

5. The Respondent failed to appear for the on-the-record testimony as required by FINRA Rule 8210.

6. On July 30, 2019, FINRA barred the Respondent from associating with any FINRA member in any capacity.

7. The Respondent consented to FINRA’s July 30, 2019, order.

8. On March 31, 2020, FINRA entered a separate order of suspension against the Respondent for failing to comply with an arbitration award.

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

9. Pursuant to S.C. Code Ann. § 35-1-412(b), the Securities Commissioner may issue an order revoking, suspending, or limiting the registration of a registrant, if the Securities Commissioner finds that the order is in the public interest and subsection (d) of S.C. Code Ann. §35-1-412 authorizes the action.

10. Pursuant to S.C. Code Ann. § 35-1-412(d)(5)(C), the Securities Commissioner may issue an order revoking the registration of a registrant who is the subject of an order, issued after notice and opportunity for a hearing, by a self-regulatory organization.

11. FINRA, a self-regulatory organization, issued an order after notice and opportunity for hearing that barred the Respondent from associating with any FINRA member in any capacity.

12. 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 agent and as an investment adviser representative.

## **VI. ORDER**

**NOW THEREFORE**, pursuant to S.C. Code Ann. § 35-1-412(b), it is hereby **ORDERED** that the Respondent's registration with the Division as a broker-dealer agent and as an investment adviser representative is **REVOKED**.

## **VII. NOTICE OF OPPORTUNITY FOR HEARING**

The Respondent is hereby notified that he has the right to a formal hearing on the matters contained herein. To schedule a hearing, the Respondent must file with the 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 written request, will schedule the hearing for the Respondent. The written request shall be delivered to the Office of the Attorney General, 1000 Assembly Street, Columbia, South Carolina 29201, or mailed to the Office of the Attorney General, Attention: Securities Division, P.O. Box 11549, Columbia, South Carolina 29211-1549.

In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation in this 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, the Respondent shall so state.

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 by the Respondent to file an Answer, including a request for a hearing, shall result in this Order's becoming final by operation of law. The regulations governing the hearing process can be found at S.C. Code of Regulations § 13-604.

This Order does not prevent the Division or any law enforcement agency from seeking additional civil or criminal remedies as are available under the Act, including remedies related to the offers and sales of securities by the Respondent set forth above.

**ENTERED**, this the 4th day of March, 2021.

ALAN WILSON  
SECURITIES COMMISSIONER

By:   
Jonathan B. Williams  
Assistant Deputy Attorney General