

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Alan Wilson,
In his official capacity as the Securities
Commissioner for the State of South Carolina,

Plaintiff,

v.

Jessica Lauren Walsh; Apogee & Company,
LLC; and FifthUp, LLC,

Defendants.

IN THE COURT OF COMMON PLEAS

FOR THE FIFTH JUDICIAL CIRCUIT

Case No. 2023-CP-40-_____

SUMMONS

TO THE ABOVE-NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your answer to this Complaint upon the subscriber, at the address shown below, within thirty (30) days after the service hereof, exclusive of the day of such service. If you fail to answer the Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

ALAN WILSON
Securities Commissioner

By: s/Jonathan B. Williams
Jonathan B. Williams (S.C. Bar No. 72509)
Assistant Deputy Attorney General
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October 6, 2023

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FOR THE FIFTH JUDICIAL CIRCUIT

Alan Wilson,
In his official capacity as the Securities
Commissioner for the State of South Carolina,

Case No. 2023-CP-40-_____

Plaintiff,

COMPLAINT

v.

Jessica Lauren Walsh; Apogee & Company,
LLC; and FifthUp, LLC,

Defendants.

The Plaintiff, Alan Wilson, in his official capacity as the Securities Commissioner of South Carolina (the “Securities Commissioner”), complaining that Defendants Jessica Lauren Walsh (“Walsh”), Apogee & Company, LLC (“Apogee”), and FifthUp, LLC (“FifthUp”) (collectively, the “Defendants”) have engaged, are engaging, or are about to engage in an act, practice, or course of business constituting violations of the South Carolina Uniform Securities Act of 2005, S.C. Code Ann. § 35-1-101, *et seq.*, and the regulations and rules promulgated thereunder (collectively, the “Securities Act”), alleges the following:

THE PARTIES

1. Pursuant to S.C. Code Ann. § 35-1-603, the Securities Commissioner is designated and authorized to maintain a civil action in the Richland County Court of Common Pleas to enforce compliance with the Securities Act.

2. At all times material herein, Walsh was a resident of South Carolina.

3. Apogee is a South Carolina limited liability company formed in South Carolina by Walsh on March 31, 2021, with a last known principal place of business located at 10517 Ocean Highway, Pawleys Island, South Carolina 29585. Walsh is the owner and sole member of Apogee.

4. FifthUp is a Wyoming limited liability company formed by a Wyoming law firm at the direction of Walsh on February 28, 2023. Upon information and belief, Walsh is the owner and sole member of FifthUp.

RELATED PARTIES

5. GSE Properties, LLC (“GSE”) is a limited liability company organized and existing under the laws of the State of South Carolina with its principal place of business located in Horry County, South Carolina. Walsh is the owner, registered agent, and sole member of GSE.

6. 544 South Joint Venture (“544 South”) is a business entity doing business in Horry County, South Carolina, which was formed and is managed by Walsh.

JURISDICTION

7. Walsh is a person residing and doing business in South Carolina.

8. Apogee is a business operating in South Carolina.

9. FifthUp is a business operating in South Carolina.

10. This Court has jurisdiction over the parties and the subject matter of this action.

11. This action is properly brought in the Richland County Court of Common Pleas pursuant to S.C. Code Ann. §35-1-603(a), which authorizes the Securities Commissioner to bring an action in the Richland County Court of Common Pleas to enjoin violations of and enforce compliance with the Act.

VENUE

12. Venue is statutorily prescribed and proper in the Richland County Court of

Common Pleas, Fifth Judicial Circuit.

RELEVANT PERIOD

13. Except as otherwise expressly stated, the conduct described herein occurred between January 1, 2021, and the present (the “Relevant Period”).

ALLEGATIONS

A. Violation of the Securities Commissioner’s Consent Order

14. On February 18, 2021, the Securities Division of the Office of the Attorney General of the State of South Carolina (the “Division”) issued an Order to Cease and Desist (the “2021 Cease and Desist Order”), which ordered Walsh, GSE, and 544 South (i) to cease and desist from violating the Securities Act; (ii) to pay a civil penalty of \$25,000; and (iii) to pay \$5,000 for the costs associated with the Division’s investigation. (A copy of the 2021 Cease and Desist Order is attached as Exhibit 1 as well as available online.¹)

15. As alleged in the 2021 Cease and Desist Order, Walsh and her companies GSE and 544 South had misappropriated \$25,000 from a South Carolina investor (the “Investor”). The Investor believed he was investing in a project to develop student housing at Coastal Carolina University, but in fact, Walsh used the funds for personal gain.

16. On April 25, 2022, Walsh, GSE, 544 South, and the Division agreed to a Consent Order (the “Consent Order”), which resolved the issues related to the 2021 Cease and Desist Order. (A copy of the Consent Order is attached as Exhibit 2 as well as available online.²)

¹ In the matter of Jessica Walsh; GSE Properties, LLC; and 544 South Joint Venture – Order to Cease and Desist (2/18/2021) (<https://www.scag.gov/wp-content/uploads/2021/02/02493010.pdf>).

² In the matter of Jessica Walsh; GSE Properties, LLC; and 544 South Joint Venture – Consent Order (4/25/2022) (<https://www.scag.gov/media/fcik40v3/2022-04-25-walsh-et-al-consent-order-matter-20191640-02962873xd2c78.pdf>).

17. In the Consent Order, among other things, Walsh, GSE, and 544 South agreed to pay back the Investor and expressly consented to (i) refrain from violating the Act; (ii) pay a civil penalty; and (iii) agreed to be “**PERMANENTLY BARRED** from participating in any aspect of the securities industry in or from the State of South Carolina.” (emphasis in the original).

18. Walsh was represented by an attorney when she executed the Consent Order on April 11, 2022.

19. The Division has determined that during the Relevant Period, and particularly after April 11, 2022, Walsh has knowingly and willfully violated the Consent Order (i) by failing to cease and desist from violating the Act and (ii) by participating in the securities industry in or from the State of South Carolina.

20. Walsh has participated in the securities industry personally and through her companies Apogee and FifthUp.

B. Violation of the Securities Act by Walsh, Apogee, and FifthUp

21. Specifically, during the Relevant Period, Walsh has texted, called, emailed, and talked with the founder (the “Founder”) of a start-up company (the “Company”) and made numerous representations and misrepresentations about her prowess in investment and business circles, which she claimed would result in growing investments in the Company. These representations included the following:

- i. that Walsh could properly advise the Founder on how to negotiate equity interests in the Company;
- ii. that Walsh knew and/or could find and/or has found wealthy individuals to invest in the Company;

- ii. that Walsh would use and/or had used the Company’s investor “slide deck” to make presentations to potential investors and/or to individuals who knew investors who might be interested in investing in the Company;
- iii. that Walsh had and/or almost had certain financial commitments for investments in the Company;
- iv. that Walsh had and/or almost had certain commitments from celebrity and/or sports figures who were interested in the Company and its product;
- v. that Walsh had and/or almost had certain commitments from social media “influencers” who would promote the Company;
- vi. that Walsh would work with the Founder to improve the branding and other marketing materials; and
- vii. that Walsh would work with the Founder to improve the investor “pitch deck” for presentations to prospective investors.

22. Walsh, by herself and through Apogee and FifthUp, acted as an agent of the issuer—the Company—through her actions described in the preceding paragraph and by soliciting investors for the Company.

23. As an agent of the Company, Walsh participated in the securities industry in South Carolina.

24. Walsh was not and has never been registered with the Division as an agent.

C. Fraudulent Misappropriation of Funds

25. In the course of the Defendants' securities related activities, Walsh through her companies, Apogee and FifthUp, misappropriated money the Founder invested in his Company.

26. Initially, Walsh convinced the Founder that she would develop and improve the investor "pitch deck" for presentations to prospective investors.

27. Walsh convinced the Founder to give her at least \$5,000 for her work to develop the presentation.

28. The Founder was never provided a "pitch deck" or any other work product from Walsh.

29. These funds were deposited into an Apogee business checking bank account opened and maintained by Walsh (the "Apogee Bank Account"). Walsh used the money for her personal benefit.

30. The Founder loaned Walsh additional money that he sent via wire transfers to the Apogee Bank Account, and he wrote Walsh several checks, which were deposited into the Apogee Bank Account.

31. Thereafter, in July of 2023, Walsh represented to the Founder that she had contracted with a marketing company in New York (the "Marketing Company") to develop marketing materials for the Company, including new "branding" for the Company, and a new brand name for the Company.

32. Walsh claimed that these marketing materials would be used to find and solicit investors for the Company.

33. Walsh wrote to the Founder that if he could pay half of the \$175,000 invoice to the Marketing Company that she—Walsh—would pay the other half.

34. Walsh advised the Founder to withdraw money from his retirement account and send “his half” of the money to her.

35. The Founder followed Walsh’s advice and direction, and he withdrew money from his retirement account to further invest in the development of his Company.

36. To convince the Founder that he needed to send her money for this marketing material, Walsh texted a picture of what purported to be a “Master Services Agreement” contract between the Marketing Company and Walsh’s company, FifthUp.

37. Walsh also sent, via text message, a picture of a document that purported to be the last page of a “Proposal” signed by Walsh on behalf of “5th Up” and the Company, as well as by the managing director of the Marketing Company.

38. On July 27, 2023, the Founder effectuated a wire transfer of \$87,500 to the Apogee Bank Account.

39. Walsh claimed that she would take the Founder’s money in the Apogee Bank Account, add her own money to the Founder’s money, and wire \$175,000 to the Marketing Company pursuant to the “Proposal.”

40. Despite the Founder’s many attempts to obtain a copy of the entire document after wiring the money to Walsh, she did not produce the “Proposal” or any other document showing the payment of \$175,000 to the Marketing Company.

41. After becoming suspicious that the “Proposal” was a fraudulent document, the Founder contacted the Marketing Company directly.

42. The representative of the Marketing Company knew Walsh—he had met her one time to discuss marketing of an Australian baby formula company—but the Marketing Company

did not have any knowledge of the Founder's Company, and the Marketing Company did not develop a proposal for Walsh, FifthUp, or the Company.

43. The representative of the Marketing Company never received any money from Walsh for any project or work on behalf of the Founder's Company.

44. The Division's investigation confirmed that the Marketing Company never prepared a proposal for Walsh, and that the Marketing Company never received any money from Walsh for any project or work on behalf of the Founder's Company.

45. In fact, bank records obtained by the Division reveal that Walsh spent all of the Founder's money within a few weeks of receiving the funds on personal expenses, including:

- i. Payments to various personal credit cards;
- ii. Transfers to the bank accounts of her father, her mother, and others via money transmitter service providers;
- iii. A payment to a cable television, internet, telephone, and wireless service provider;
- iv. Payments for various loans, including a large payment to a title loan lender;
- v. Payments for purchases of mobile phone applications;
- vi. Payments to grocery store delivery services;
- vii. Payments to food delivery services;
- viii. Payments for Amazon purchases;
- ix. Payments for her car insurance;
- x. Payments to a "medical spa" that purports to provide medical aesthetic services, including Botox and other cosmetic procedures;
- xi. A large purchase from luxury goods retailer, Gucci;

- xii. Purchase(s) from jewelry stores, grocery stores, clothing stores, gas stations, a pharmacy store, discount “dollar” stores, an online massage device retailer, a vitamin supplement retailer, a shoe store, online sporting/concert event ticket resellers, an online mattress store, two outdoor apparel and equipment retailers, a surf and “board” equipment retailer, and an online secondhand clothing and home goods seller;
- xiii. The purchase of a ticket(s) to a University of South Carolina athletic event;
- xiv. Purchases at the Atlanta Braves stadium; and
- xv. Purchases from various fast-food restaurants.

46. Upon information and belief, none of the payments or purchases referenced in the previous paragraph were expenses due or payable by the Company.

47. The day after receiving the deposit of \$87,500 from the Founder, Walsh transferred \$5,000 to the Founder as a good will payment towards the more than \$25,000 the Founder had previously paid to Walsh for the investor pitch deck and various loans.

48. In total, the Founder gave more than \$112,000 to Walsh who claimed to be helping the Founder find investors and grow his business, but in fact, she used the money for her personal gain.

FOR A FIRST CAUSE OF ACTION
VIOLATION OF S.C. CODE ANN. § 35-1-412
(Violation of the Securities Act)

49. Paragraphs 1 through 48 are incorporated by reference as though fully set forth herein.

50. The Defendants have acted and are currently acting as agents of the Company in their solicitation of investors for the Company.

51. The Company is an issuer of securities as defined in S.C. Code Ann. § 35-1-102(17).

52. Walsh has acted as an agent of an issuer of securities as defined in S.C. Code Ann. § 35-1-102(2).

53. Walsh was not registered as an agent with the Division in violation of S.C. Code Ann. § 35-1-402.

FOR A SECOND CAUSE OF ACTION
VIOLATIONS OF S.C. CODE ANN. § 35-1-501
(General fraud)

54. Paragraphs 1 through 53 are incorporated by reference as though fully set forth herein.

55. Pursuant to S.C. Code Ann. § 35-1-501, it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly: (1) to employ a device, scheme, or artifice to defraud; (2) to make untrue statements of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (3) to engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

56. The conduct of Respondents, as outlined above, constitutes violations of S.C. Code Ann. § 35-1-501.

FOR A THIRD CAUSE OF ACTION
INJUNCTIVE RELIEF

57. Paragraphs 1 through 56 are incorporated by reference as though fully set forth herein.

58. Walsh executed the Consent Order on April 11, 2022, on behalf of herself and her companies, which same Consent Order was subsequently published online on April 25, 2022, pursuant to S.C. Code Ann. § 35-1-604(h).

59. Pursuant to the Consent Order, Walsh agreed to cease and desist from violating the Securities Act.

60. Pursuant to the Consent Order, Walsh explicitly agreed to a permanent bar from “participating in any aspect of the securities industry in or from the State of South Carolina.”

61. The activities of Walsh, as outlined above, constitute violations of the Consent Order.

PRAYER FOR RELIEF

WHEREFORE, the Securities Commissioner prays that the Court issue an Order granting the following relief:

- A. Finding that the Walsh has violated the terms of the Consent Order;
- B. Finding Walsh in civil contempt of the Consent Order pursuant to S.C. Code Ann. § 35-1-604(g);
- C. Imposing a civil penalty against Walsh for contempt in an amount not less than five hundred dollars but not greater than five thousand dollars for each violation of the Consent Order pursuant to S.C. Code Ann. § 35-1-604(g);
- D. Ordering Walsh to comply with the terms of the Consent Order;
- E. Ordering the Defendants to cease and desist from violating the Securities Act;
- F. Enjoining Walsh, permanently, from participating in any aspect of the securities industry in or from the State of South Carolina pursuant to the Consent Order;

- G. Ordering the Defendants to disgorge ill-gotten gains obtained in connection with her promotion of the Company;
- H. Ordering the Defendants to pay restitution to the Founder;
- I. Imposing civil penalties on the Defendants in the amount of ten thousand (\$10,000.00) dollars per violation for each violation of the Securities Act; and
- J. Providing for such other and further relief as may be just and proper, including but not limited to enjoining the Defendants from liquidating, moving or otherwise disposing of any and all assets, wherever such assets may be situated, and/or permanent injunctive relief as may be directed by the Court.

Respectfully submitted,

ALAN WILSON
Securities Commissioner

Jonathan B. Williams (S.C. Bar No. 72509)
Assistant Deputy Attorney General

Post Office Box 11549
Columbia, SC 29211
(803) 734-7208
jwilliams@scag.gov

By: s/Jonathan B. Williams
Attorney for the Securities Commissioner

October 6, 2023

Columbia, South Carolina

EXHIBIT 1

Date 10/6/23

CERTIFIED TO BE A TRUE AND CORRECT COPY AS TAKEN FROM AND COMPARED WITH THE ORIGINAL ON FILE IN THIS OFFICE.

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF SOUTH CAROLINA

ATTORNEY GENERAL OF SOUTH CAROLINA
as Senior Assistant AG

IN THE MATTER OF:)
)
Jessica Walsh; GSE Properties, LLC;)
and 544 South Joint Venture;)
)
Respondents.)
)
_____)

ORDER TO CEASE AND DESIST

Matter No.: 20191640

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 Jessica Walsh ("Walsh"); GSE Properties, LLC ("GSE"); and 544 South Joint Venture ("544 South") (collectively the "Respondents"), and in connection with its investigation has determined that evidence exists to support the entry of this Order to Cease and Desist.

II. PARTIES

1. The Securities Commissioner is charged with enforcing the Act, and the Securities Commissioner accomplishes certain of these statutory duties through the Division.
2. Walsh is a citizen and resident of the County of Georgetown, South Carolina.
3. GSE is a limited liability company organized and existing under the laws of the State of South Carolina, and doing business in the County of Horry, South Carolina. The last

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known address of GSE is 10517 Ocean Hwy, Unit 4 #345, Pawleys Island, South Carolina 29585. Walsh is the owner, registered agent, and sole member of GSE.

4. 544 South is a business entity doing business in the County of Horry, South Carolina. According to a 544 South formation document, the members of 544 South are “Jessica Walsh DBA GSE Properties” and “Mike Tolbert DBA MT3 Properties.”¹ In the 544 South formation document, Walsh is listed as the “manager” of 544 South “after consulting with Mike Tolbert.” 544 South is characterized in formation documents as a “contractual joint venture.”

JURISDICTION

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

III. FINDINGS OF FACT

Promissory Note

9. On or about January 16, 2019, Walsh issued a promissory note on behalf of the Respondents to a South Carolina investor (the “Investor”). The promissory note provided, in part, as follows:

PROMISSORY NOTE
\$25,000.00
Pawley’s Island, South Carolina

January 16, 2019

One month after date for value received, we promise to pay to the order of [Investor] 50,000.00 Dollars in one installment of \$50,000.00 Dollars of principal and interest. In case said amount is not paid at maturity I promise

¹ MT3, Properties, LLC (“MT3”) MT3 is a business entity organized and existing under the laws of the State of North Carolina. MT3 is located at 8712 Matthews Farm Lane, Charlotte, North Carolina 28277. The members of MT3 are Maria Shianette Tolbert and William Tolbert, II. The registered agent for service of MT3 is Registered Agents, Inc. with the last known address of 4030 Wake Forest Road, Ste 349, Raleigh, North Carolina 27609. William Michael (“Mike”) Tolbert (“Tolbert”) is a citizen and resident of the County of Mecklenburg, North Carolina.

to pay all expenses incurred in collecting same, including attorney's fees for collection and attorney's fees for any litigation concerning the said debt.

As collateral security I pledge the interest of GSE Properties LLC in the profits of the 544 South Joint Venture (or any successor LLC) owned with MT3 LLC, that being a one-half interest. In addition a UCC will be filed with the Secretary of State against assets of Cornerstone Sports Marketing^[2] which [Investor] will assume if loan defaults.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 16th day of January, 2019

10. The Investor understood that he was investing in a business venture owned and operated by the Respondents. Specifically, the Investor understood that he was investing in a student housing project located near Coastal Carolina University on Savannah Bluff Road in Conway, South Carolina. Walsh provided the Investor with a business plan and financial information for the project, which stated in part that "this is an excellent opportunity for a successful investment." The business plan provided that "the Owner, MT3 Properties, LLC, has assembled a team of professionals to accomplish its goals. . . The team members all have vast experience with this type of project and working in this specific area."

11. In fact, there is no evidence to suggest that the Respondents had any experience with this type of project. Moreover, the rosy picture presented in the project plans provided no disclosures of the risks associated with investing in such a venture.

12. The records obtained in the course of the Division's investigation reveal that Walsh deposited the Investor's money into her personal bank account, and she used the Investor's money for her personal benefit.

² Cornerstone Sports Marketing ("Cornerstone") is a business entity doing business and incorporated in the State of South Carolina. According to the South Carolina Secretary of State's Office, Conerstone's registered agent is LegalCorp Solutions, LLC, 6650 Rivers Avenue, North Charleston, South Carolina 29406.

13. In addition, a search of the UCC filings at the Office of the South Carolina Secretary of State reveals no filing related to the Investor and/or Cornerstone (as defined in footnote 2).

14. After several months, in May 2019, Walsh made a partial payment of the principal owed to the Investor. She entered into a number of subsequent agreements promising to return the balance owed plus interest and “penalties.” Ultimately, the Investor filed suit in the Horry County Court of Common Pleas against Walsh, Tolbert, GSE, MT3, and 544 South. Alexander v. Jessica Walsh, et al., Case No. 2019-CP-26-08292 (Dec. 23, 2019). Walsh and her co-defendants failed to answer the complaint and were found to be in default.

15. In the course of its investigation, the Division discovered evidence that Walsh altered certain bank records, which she provided to the Investor in order to suggest to the Investor that she had access to funds to repay the Investor. Walsh asked the Investor not to share the altered document with the Division.

Division subpoenas

16. As part of its investigation, the Division has sent multiple subpoenas to Walsh to appear and produce documents. Walsh has failed to comply with the subpoenas propounded by the Division.

17. Specifically, on January 16, 2020, the Division served Walsh with a subpoena at multiple addresses to appear on February 5, 2020, to answer questions and to produce records regarding the Division’s investigation. An attorney contacted the Division on February 4, 2020. He stated he was going to meet with Walsh regarding his representation of Walsh, and at his request, the Division agreed to an extension to respond to the subpoena. Thereafter, a tentative

meeting with Walsh was going to be scheduled in March of 2020. Walsh never retained the attorney, and Walsh never appeared or produced the subpoenaed records.³

18. On November 18, 2020, after confirming that counsel was never retained, the Division served Walsh with a subpoena at multiple addresses, which required her to produce records by December 4, 2020. In subsequent emails and telephone calls to the Division, Walsh provided various excuses and employed a variety of delay tactics in order to avoid compliance with the Division's subpoena. The Division has never received the demanded records.

IV. CONCLUSIONS OF LAW

19. The Respondents offered and sold at least one promissory note, which, pursuant to S.C. Code Ann. § 35-1-102(29), constitutes a security.

20. The Respondents sold a security in South Carolina, which was neither registered with the Division nor exempt from such registration, in violation of S.C. Code Ann. § 35-1-301.

21. South Carolina Code Ann. § 35-1-501, provides in relevant part that "It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly (1) to employ a device, scheme, or artifice to defraud; (2) to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (3) to engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

22. Respondents participated in the offer and sale of a security by means of a scheme to defraud; made untrue statements of a material fact or omitted to state material facts necessary in order to make the statements, in light of the circumstances under which they were made, not

³ The Division recognizes that the COVID-19 pandemic created delays with respect to some aspects of subpoena compliance.

misleading; and engaged in acts, practices, or courses of business that operated as a fraud on the Investor.

23. The Respondents' offer and sale of an unregistered, non-exempt security and fraudulent conduct in connection with the offer and sale of a security in South Carolina, in violation of the Act, provides the basis for the issuance of this Order, pursuant to S.C. Code Ann. § 35-1-604(a)(1).

24. This Order is in the public interest.

V. ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

- a. The Respondents and every successor, affiliate, control person, agent, servant, and employee of the Respondents, and every entity owned, operated, or indirectly or directly controlled by or on behalf of the Respondents **CEASE AND DESIST** from transacting business in this State in violation of the Act;
- b. The Respondents shall jointly and severally pay a civil penalty in the amount of twenty-five thousand dollars (\$25,000) if this Order becomes effective by operation of law, or, if a 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 and the actual cost of the investigation or proceeding; and
- c. The Respondents shall jointly and severally pay five thousand dollars (\$5,000) for the costs associated with this investigation, or, if a Respondent seeks a

hearing and any legal authority resolves this matter, pay the actual costs associated with the investigation and legal proceeding in accordance with S.C. Code Ann. § 35-1-604(e).

IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. § 35-1-604(a)(2) and (3), any exemption from registration with the Division that the Respondents may claim to rely upon under the Act has been and is **PERMANENTLY REVOKED**.

VI. NOTICE OF OPPORTUNITY FOR HEARING

The Respondents are hereby notified that each has the right to a hearing on the matters contained herein. To schedule such a hearing, a 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 a 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 a 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 that Respondent of the right to such a hearing. Failure of a Respondent to file an Answer, including a request for a hearing, shall result in this Order, including the stated civil penalty and any assessed costs, becoming final as to that 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 offers and sales of securities by the Respondents set forth above.

ENTERED, this the 18th day of February, 2021.

ALAN WILSON
SECURITIES COMMISSIONER

By: 

JONATHAN B. WILLIAMS
Assistant Deputy Attorney General

EXHIBIT 2

Date 10/6/23

CERTIFIED TO BE A TRUE AND CORRECT COPY AS TAKEN FROM AND COMPARED WITH THE ORIGINAL ON FILE IN THIS OFFICE

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ADMINISTRATIVE PROCEEDING BEFORE THE SECURITIES COMMISSIONER OF SOUTH CAROLINA
ATTORNEY GENERAL OF SOUTH CAROLINA
As Senior Assistant

IN THE MATTER OF:)
)
Jessica Walsh; GSE Properties, LLC;)
and 544 South Joint Venture;)
)
Respondents.)
_____)

CONSENT ORDER
Matter No.: 20191640

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 Jessica Walsh (“Walsh”); GSE Properties, LLC (“GSE”); and 544 South Joint Venture (“544 South”) (collectively, the “Respondents”), and in connection with its investigation, the Division has determined that the Respondents violated the Act.

Without admitting or denying the findings of fact and conclusions of law set forth below, except as to the jurisdiction of the Securities Commissioner over the Respondents and the subject matter of this proceeding, which are admitted, the Respondents expressly consent to the entry of this Consent Order, which resolves the allegations against them set forth herein and in the February 18, 2021, Order to Cease and Desist issued by the Division (the “Cease and Desist Order”).¹ The

¹ In the matter of Jessica Walsh; GSE Properties, LLC; and 544 South Joint Venture – Order to Cease and Desist (2/18/2021) (<http://2hsvz0174ah31vgcm16peuy12tz.wpengine.netdna-cdn.com/wp-content/uploads/2021/02/02493010.pdf>).

Respondents elect to waive permanently any right to a hearing and appeal under S.C. Code Ann. § 35-1-609, with respect to this Consent Order.

This Consent Order is entered into solely for the purpose of resolving the matter set forth herein and is not intended to be used for any other purpose. Other than the obligations and provisions set forth herein, this Consent Order does not limit or create liability for the Respondents nor limit or create defenses for the Respondents to any claims.

II. JURISDICTION

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

III. RESPONDENTS

2. Walsh is a resident of Georgetown County, South Carolina.

3. GSE is a limited liability company organized and existing under the laws of the State of South Carolina, and it is located in Horry County, South Carolina. Walsh is the owner, registered agent, and sole member of GSE.

4. On January 16, 2019, 544 South was a business entity doing business in Horry County, South Carolina. Walsh represents to the Division that this business entity is no longer operating. Walsh was a member and manger of 544 South.

IV. FINDINGS OF FACT

5. On or about January 16, 2019, Walsh issued a promissory note on behalf of the Respondents to a South Carolina resident (the "Resident").

6. The Resident understood that he was investing in a business venture owned and operated by the Respondents.

7. After conducting an investigation, the Division issued the Cease and Desist Order.

8. The Respondents have paid the Resident his principal in full.

9. Walsh, by her signature below, affirms she is an authorized signatory on behalf of all of the Respondents.

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

V. CONCLUSIONS OF LAW

11. The Respondents offered and sold at least one promissory note, which, as described herein, pursuant to S.C. Code Ann. § 35-1-102(29), constitutes a security.

12. The Respondents sold a security in South Carolina, which was neither registered with the Division nor exempt from such registration, in violation of S.C. Code Ann. § 35-1-301.

13. This Order is appropriate and in the public interest, pursuant to the Act.

VI. ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

A. The Respondents and every successor, affiliate, control person, agent, servant, and employee of the Respondents, and every entity owned, operated, or indirectly or directly controlled by, or on behalf of the Respondents shall not participate in any transaction in violation of the Act and agree to **CEASE AND DESIST** such transactions in this State;

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- B. The Respondents will pay a civil penalty in the amount of ~~two~~ ^{one} thousand five hundred dollars (\$1,500.00);
- C. The Respondents expressly consent and agree that they are **PERMANENTLY BARRED** from participating in any aspect of the securities industry in or from the State of South Carolina;
- D. The Respondents further agree that each will refrain from taking any action regarding a direct or indirect public statement inconsistent with the terms herein. Any public statement to the effect that the allegations are not admitted must be accompanied by a statement that the allegations are not denied and by the terms herein, the Respondents do not deny that the Consent Order incorporates by reference the factual allegations of the Cease and Desist Order; and
- E. The contents of paragraph C do not affect the Respondents' testimonial obligations or right to take a differing legal position or factual position in litigation or other legal proceedings.

Upon breach of this agreement, the Securities Commission may vacate this Order.


This Order does not waive any criminal cause of action or other causes of action that may result from activities of the Respondents not detailed in the Cease and Desist Order and/or this Consent Order.

IT IS SO ORDERED this 25 day of April, 2022.

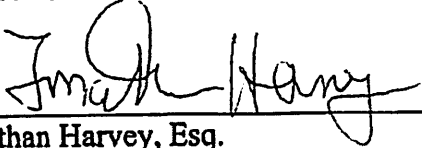
By: Alan Wilson
Alan Wilson
Securities Commissioner
State of South Carolina

WE CONSENT:

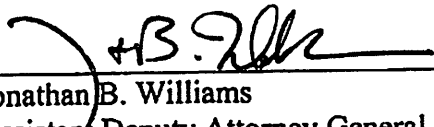
Respondents, Jessica Walsh, GSE Properties, LLC; and 544 South Joint Venture

By:  Date: 4/11/2022
Jessica Walsh, Individually
and on behalf of
GSE Properties, LLC; and
544 South Joint Venture

Approved as to Form:

By:  Date: 4/11/2022
Jonathan Harvey, Esq.
1701 Richland Street
Columbia, SC 29201

South Carolina Attorney General's Office Securities Division

By:  Date: 4/19/22
Jonathan B. Williams
Assistant Deputy Attorney General