

I. JURISDICTION

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

II. RESPONDENTS

2. Respondent Edwards is an investment adviser representative registered with the Division with a business address of 1109 W. Poinsett St., Suite C, Greer South Carolina 29650. Respondent Edwards is a South Carolina licensed certified public accountant and the managing partner of Edwards & Hendrick, CPAs, P.A.

3. Respondent E&H is an investment adviser registered with the Division with a business address of 1109 W. Poinsett St., Suite C, Greer, South Carolina 29650. Respondent Edwards is the sole member, chief executive officer, chief compliance officer, and registered agent of Respondent E&H.

III. FINDINGS OF FACT

4. Respondent E&H was registered with the Division as an investment adviser from June 21, 2000 until June 20, 2004. Respondent E&H reactivated its registration with the Division on April 21, 2020.

5. During the approximately sixteen-year period between the expiration of its registration and its reactivation, Respondent E&H continued to transact business in the State of South Carolina as an investment adviser.

6. Respondent Edwards was registered with the Division as an investment adviser representative from June 21, 2000 until June 20, 2004. Respondent Edwards reactivated his registration on April 21, 2020.

7. During the approximately sixteen-year period between the expiration of his registration and its reactivation, Respondent Edwards continued to transact business in the State of South Carolina as an investment adviser representative.

8. The Division, in the course of its investigation, found no evidence of any harm to investors as a result of the Respondents' actions or inactions, and the Division has not received any complaints regarding the Respondents.

IV. CONCLUSIONS OF LAW

8. Pursuant to S.C. Code Ann. § 35-1-403(a), it is unlawful for a person to transact business in this State as an investment adviser unless the person is registered as an investment adviser or is exempt from registration as an investment adviser under the Act.

9. Respondent E&H transacted business in South Carolina as an unregistered investment adviser from June 20, 2004 until April 21, 2020. Respondent E&H was not exempt from registration. Therefore, Respondent E&H violated S.C. Code Ann. § 35-1-403(a).

10. Pursuant to S.C. Code Ann. §34-1-404(a), it is unlawful for an individual to transact business in this State as an investment adviser representative unless the individual is registered as an investment adviser representative or is exempt from registration as an investment adviser representative under the Act.

11. Respondent Edwards transacted business in South Carolina as an unregistered investment adviser representative from June 20, 2004, until April 21, 2020. Respondent Edwards was not exempt from registration. Therefore, Respondent Edwards violated S.C. Code Ann. § 35-1-404(a).

12. The Respondents' 32 willful violations of the Act provide the basis for this order.

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

V. ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-412(b), it is hereby **ORDERED** that:

- a. Each of the Respondents and every successor, affiliate, control person, agent, servant, and employee of each of the Respondents, and every entity owned, operated, or indirectly or directly controlled by, or on behalf of each of the

Respondents, shall **CEASE AND DESIST** from transacting business in this State in violation of the Act;

- b. The Respondents shall jointly and severally pay a fine of two thousand dollars (\$2,000.00) for each calendar year during which they operated as either an unregistered investment adviser or an unregistered investment adviser representative. The total amount of the penalty is thirty-two thousand dollars (\$32,000.00);
- c. Because the Respondents self-reported the lapse of their registration to the Division, a portion of the penalty—sixteen thousand dollars (\$16,000.00)—is hereby **SUSPENDED**;
- d. The Respondents shall jointly and severally pay back registration fees totaling three thousand, nine hundred seventy-five dollars (\$3,975.00);
- e. The Respondents shall jointly and severally pay the Division's cost of investigation of one thousand dollars (\$1,000.00).

Upon the Respondents' payment of twenty thousand, nine-hundred seventy-five dollars (\$20,975.00), and execution by the Securities Commissioner, this Consent Order resolves Matter Number 20201935, as to the Respondents.

As part of this Consent Order, the Respondents agree that they: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in this Consent Order or creating the impression that this Consent Order is without factual basis; and (ii) will not make or permit to be made any public statement to the effect that the Respondents do not admit the allegations of this Consent Order, or that this Consent Order contains no admission of the allegations, without also stating that the Respondents do not deny the allegations. If the Respondents breach any of the terms of this Consent Order, the Securities Commissioner may vacate this Consent Order. Nothing in this paragraph affects the Respondents testimonial obligations or rights to take differing legal or factual positions in litigation or other legal proceedings.

This Consent Order should not be interpreted to waive any (i) criminal cause of action, (ii) private cause of action that may have accrued to investors as a result of the activities detailed herein, or (iii) other causes of action that may result from activities of the Respondents not detailed in this Consent Order.

ENTERED, this the 29 day of June, 2021.

ALAN WILSON
SECURITIES COMMISSIONER

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

I consent to the terms of the above Consent Order:

Robert Edwards
Robert Edwards

Date: 6/28/21

E&H Investment Services, LLC consents to the terms of the above Consent Order::

By: Robert Edwards
Robert Edwards, its sole member
and Chief Executive Officer

Date: 6/28/21

The Securities Division of the Office of the Attorney General consents to the terms of the above Consent Order:

By: Jonathan B. Williams
Jonathan B. Williams
Assistant Deputy Attorney General

Date: 6/28/21