

STATEMENT OF FACTS

3. On January 1, 2005, TIDWELL DEWITT's registration as a state registered Investment Advisor in Alabama was terminated due to failure to renew registration.

4. On January 19 – 20, 2005 an audit was conducted on the premises of TIDWELL DEWITT. During the audit, commission staff informed DYER that performance of investment advisory services and receipt of fees (including fees for referral of business) for said work while not being appropriately registered is a Class C felony. The commission staff further conveyed to DYER that no fees for investment advisory services, including fees received for making referrals, could be accepted until TIDWELL DEWITT was registered as an Investment Advisor in the State of Alabama.

5. On February 17, 2005, the commission staff issued the post audit letter to TIDWELL DEWITT, via certified mail. Return receipt received by the Commission reflects acceptance by TIDWELL DEWITT on March 1, 2005.

6. As of June 7, 2005, TIDWELL DEWITT had not responded to the post audit letter. A follow up telephone call was placed with DYER regarding the lack of a response to the post audit letter. DYER asserted that all points of the post audit letter had been covered, which was not accurate. A detailed list of outstanding items from the post audit letter was faxed to DYER at the conclusion of the telephone call.

7. On September 19, 2005, a partial response was received via fax and e-mail from Kenneth DeWitt, Managing Member of TIDWELL DEWITT, addressing each point of the post audit letter. However, TIDWELL DEWITT did not provide a copy of the policies and procedures manual as requested following the audit.

8. On November 28, 2005, as part of the requirements set forth in the post audit letter, TIDWELL DEWITT submitted an application for state registration as an investment advisory firm in Alabama.

9. On December 9, 2005, the commission staff issued a deficiency letter to TIDWELL DEWITT requesting, among other things, prior investment advisory services rendered.

10. On December 30, 2005, the commission staff received TIDWELL DEWITT's response to the December 9, 2005 deficiency letter. However, specific detail was not provided for the amount of referral fees received since the date TIDWELL DEWITT's Investment Advisor registration had terminated.

11. On January 24, 2006, during a conversation between the commission staff and TIDWELL DEWITT representatives, TIDWELL DEWITT admitted the company continued to receive referral fees during 2005. These fees were received despite a direct instruction from commission staff to DYER to discontinue investment advisory business, including collection of referral fees, until TIDWELL DEWITT and the firm's investment advisor representatives were registered in Alabama.

12. On March 10, 2006, the commission staff issued a request to Kenneth DeWitt asking for: specific names of TIDWELL DEWITT's investment advisory clients; their account numbers; the dates referral fees were received; the amount of fees received from each account; and the date each account was opened. DeWitt provided a response to each requested item on March 24, 2006.

13. On July 6, 2006, the commission staff issued an e-mail to DeWitt requesting additional detail on prior activity, including a breakdown on the fees received since January 1, 2005 according to whether the referral fees have been "cashed" or held as requested until TIDWELL DEWITT was again registered. DeWitt provided the requested detail on July 20, 2006, which noted that fees in the amount of \$6,787.27 have been "cashed" or otherwise received by TIDWELL DEWITT, while \$2,920.98 in fees has been held pending registration.

14. On July 11, 2006, a visitation letter was issued via certified mail to TIDWELL DEWITT's clearing firm to ascertain the amount of fees received for referral of investment advisory business.

15. On July 20, 2006, the reply from the clearing firm was received by the commission staff. The clearing firm's response reflected referral fees in amounts different from the amounts reported by TIDWELL DEWITT on July 20, 2006. Therefore, a request that DeWitt reconcile the two responses was issued via e-mail On August 2, 2006.

16. On August 23, 2006, DeWitt responded to the commission staff's request for a reconciliation of the results from the clearing firm and TIDWELL DEWITT. The confirmed results as of that date reflected \$10,086.85 in referral fees received since January 1, 2005, and of that total, \$5,591.54 has been cashed while the balance of \$4,495.31 has been held.

17. On January 22, 2007, DeWitt advised that TIDWELL DEWITT was currently holding \$7,262.32 in referral fees and has ceased receiving any fees for investment advisory referrals.

CONCLUSIONS OF LAW

18. TIDWELL DEWITT and DYER failed to timely renew their Investment Advisor and Investment Advisor Representative registrations for 2005 and 2006. As a result, TIDWELL DEWITT and DYER have not been registered as an Investment Advisor and Investment Advisor Representative, respectively, since January 1, 2005. TIDWELL DEWITT and DYER continued to receive investment advisory fees for referral of business since 2005. Pursuant to Section 8-6-3(b), Code of Alabama, 1975, it is unlawful for any person to transact business in this state as an Investment Advisor or Investment Advisor representative unless appropriately registered in the State of Alabama. Thus TIDWELL DEWITT and DYER violated the provisions of Section 8-6-3(b).

WHEREAS, RESPONDENTS admit that they conducted investment advisory activity in the State of Alabama without benefit of registration, and state that the information and assertions presented to the Commission during its investigation of this matter are true and correct; that RESPONDENTS understand the Commission relied upon such information and assertions in its determination to accept this Order, and that should the information or assertions prove to be incorrect or misrepresented, the Commission may seek such other administrative, civil or criminal remedies that may be available to it under the provisions of the Act.

WHEREAS, RESPONDENTS have voluntarily waived all rights to a hearing upon entry of this Agreement and have consented to the entry of this Order, and

WHEREAS, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors, and consistent with the purposes fairly intended by the policy

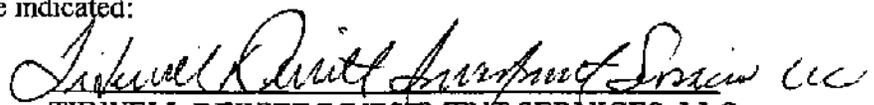
and provisions of the Act, and

WHEREAS, the Commission and RESPONDENTS are desirous of settling this matter as hereafter set forth and agree to the entry of this Order.

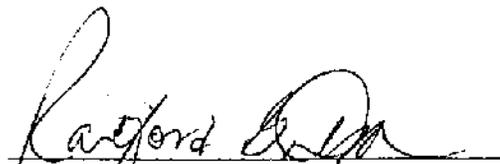
ACCORDINGLY, IT IS HEREBY ORDERED:

1. That RESPONDENTS will ensure that proper procedures are enacted to preclude any future non-compliance with the Act.
2. That RESPONDENTS shall, until such time as they are properly registered in the state of Alabama, refrain from effecting securities transactions into, within or from the state of Alabama.
3. That in accordance with Section 8-6-19(j)(1), Code of Alabama, 1975, RESPONDENTS shall pay to the State of Alabama an administrative assessment of Six Thousand Two Hundred Sixty Two and 32/100 Dollars (\$6,262.32), said funds to be tendered in certified funds contemporaneously with the entry of this Order.
4. That in accordance with Section 8-6-19(k)(1), Code of Alabama, 1975, RESPONDENTS shall pay to the Alabama Securities Commission, as partial reimbursement for the Commission's cost of investigating this matter One Thousand Dollars (\$1000.00), said funds to be tendered in certified funds contemporaneously with the entry of this Agreement.
5. That the entry of this Order resolves the Cease and Desist Order, Administrative Order No. CD-2006-00040, issued November 7, 2006.

AGREED AND CONSENTED to on date indicated:


TIDWELL DEWITT INVESTMENT SERVICES, LLC.
RESPONDENT

BY: 
TITLE: Asst. Member
DATE: 5/11/07

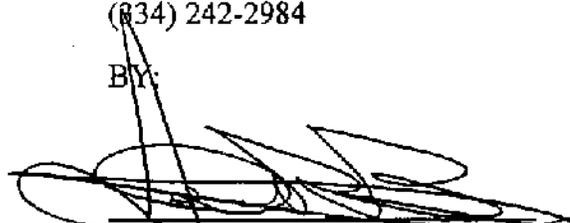

RAIFORD GOODE DYER
RESPONDENT

DATE: 5/11/07

Entered at Montgomery, Alabama this the 15th day of May, 2007.

ALABAMA SECURITIES COMMISSION
770 Washington Street, Suite 570
Montgomery, Alabama 36130-4700
(334) 242-2984

BY:


JOSEPH P. BORG
Director

