STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: } }
PAUL CHRISTOPHER SCHEMIZT, SR. } ADMINISTRATIVE ORDER
RESPONDENT } NO. CO-2008-0009

CONSENT ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. PAUL CHRISTOPHER SCHEMIZT, SR., ("SCHEMIZT") . CRD# 2310289, is a New York resident with an address of 38 East Gate Avenue, Copiague, New York, 11726.

STATEMENT OF FACTS

2. From September 11, 2000 until March 14, 2001, SCHEMIZT was employed with Royal Hutton Securities Corporation, CRD# 14489. Royal Hutton Securities Corporation was registered as a broker dealer in the state of Alabama from October 23, 1996 to February 4, 2002. At no time during this period was SCHEMIZT, in his capacity as an agent of Royal Hutton Securities Corporation, registered to offer securities for sale within the state of Alabama.
3. From March 14, 2001 until August 29, 2001, SCHEMITZ was employed with GIT Securities Corporation, CRD# 103735. GIT Securities Corporation was a registered broker dealer in the state of Alabama from November 28, 2001 to March 18, 2003. At no time during this period was SCHEMITZ, in his capacity as an agent of GIT Securities Corporation, registered to offer securities for sale within the state of Alabama.

4. Based on the Commission's investigation and information received by the Commission, on or about February 12, 2001 SCHEMITZ offered and sold stock in RBJ Speed of Thought to an Alabama resident. This information indicates that SCHEMITZ initiated the offer and sale of RBJ Speed of Thought stock through a general solicitation ("cold call"). In addition, SCHEMITZ represented himself to be an agent of GIT Securities Corporation, during the time of the transaction.

5. At the time of the transaction, the securities of RBJ Speed of Thought were not registered, nor exempt from registration, within the State of Alabama.

6. A review of the records of the Commission's Registration Division, disclosed no record of a notice filing by RBJ Speed of Thought, for a Regulation D 506 limited offering exemption.

CONCLUSIONS OF LAW

7. Pursuant to Section 8-6-2 (10), Code of Alabama 1975, the definition of "security" includes any stock. Shares of stock in RBJ Speed of Thought are securities under the statutory definition set forth in Section 8-6-2(10) of the Act.

8. At the time of the offering to the Alabama investor referenced in paragraph 4, RBJ Speed of Thought stock was not registered, nor exempt from registration as a security in the state of Alabama. The offer and/or sale of an unregistered security within the state of Alabama is a violation of Section 8-6-4, Code of Alabama 1975.
9. At the time of the offering of stock in RBJ Speed of Thought to the Alabama investor referenced in paragraph 4, SCHEMITZ represented himself to be an agent of GIT Securities Corporation. However, during the time of this sale, SCHEMITZ was an unregistered agent in the state of Alabama with Royal Hutton Securities Corporation. Neither SCHEMITZ, GIT Securities Corporation, nor RBJ Speed of Thought were registered, or exempt from registration as a broker dealer or agent in the state of Alabama at the time of the offering. The offer and/or sale of a security by an unregistered broker dealer or agent in the state of Alabama is a violation of Section 8-6-3(a), Code of Alabama 1975.

WHEREAS, RESPONDENT admits that he has never been licensed in the state of Alabama as an agent with Royal Hutton Securities Corporation or GIT Securities Corporation; that RESPONDENT admits that securities transactions were effected in the state of Alabama prior to registration or the perfection of any applicable exemption; that RESPONDENT states that the information and assertions presented to the Commission during its investigation of this matter are true and correct; further that RESPONDENT understands the Commission relied upon such information and assertions in its determination to accept this Order, and that should 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; and

WHEREAS, RESPONDENT has voluntarily waived all rights to a formal hearing upon entry of this Order, and has 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 the RESPONDENT are desirous of settling this matter as hereafter set forth and agree to the entry of this Order.
ACCORDINGLY, IT IS HEREBY ORDERED THAT PAUL CHRISTOPHER SCHEMITZ, SR.:

1. That RESPONDENT shall not seek registration in the state of Alabama as a broker dealer, agent, investment adviser or an investment adviser representative for securities and securities related transactions.

2. That RESPONDENT shall refrain from conducting business in securities and securities related transactions that are into, within or from the state of Alabama.

3. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, RESPONDENT shall pay to the State of Alabama an administrative assessment in the total sum of Five-Hundred Dollars ($500.00), 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, RESPONDENT shall pay to the Alabama Securities Commission, as partial reimbursement for the Commission's cost for investigating this matter, the sum of Five-Hundred Dollars ($500.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

5. That the entry of the Order resolves the Cease and Desist Order, Administrative Order No. CD-2008-0009, issued March 18, 2008 to RESPONDENT.

AGREED AND CONSENTED to on the dates indicated:

RESPONDENT:
PAUL CHRISTOPHER SCHEMITZ, SR.

BY:  

TITLE: N/A

DATE: 06/09/08
APPROVED AND ORDERED this 11th day of June, 2008

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

BY:

[Signature]

J. Randall McNell
Deputy Director