

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
)	ADMINISTRATIVE ORDER
SPERO X. VOURLIOTIS)	NO. CD-2011-0015
CAREY MICHAEL BILLINGSLEY)	
PAMELA AYERS BILLINGSLEY)	
THE CORNERSTONE INVESTMENT GROUP)	
THE CAPSTONE GROUP)	
THE TRI STONE GROUP)	
BILLINGSLEY INVESTMENT AND RESOURCES)	
COMPANY, LLC.)	
)	
<u>RESPONDENTS</u>)	

CEASE AND DESIST 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, upon due consideration of the subject matter hereof, has determined as follows.

RESPONDENTS

1. **SPERO X. VOURLIOTIS** ("VOURLIOTIS") is an Alabama resident with an address of 554 White Stone Way, Hoover, Alabama 35226. **VOURLIOTIS** is listed as the "Managing Partner" of The Cornerstone Investment Group, The Capstone Group, and The Tri Stone Group.

2. **CAREY MICHAEL BILLINGSLEY** ("M. BILLINGSLEY") is an Alabama resident with an address of 946 Sunrise Ridge, Rockford, Alabama 35136. **M. BILLINGSLEY** is an Agent of The Cornerstone Investment Group, The Capstone Group, and The Tri Stone Group. **M. BILLINGSLEY** is also listed as one of two members of Billingsley Investment and Resource Company, LLC.

3. **PAMELA AYERS BILLINGSLEY** ("P. BILLINGSLEY") is an Alabama resident with an address of 534 Olde English Lane, Birmingham, Alabama 35223. **P. BILLINGSLEY** is listed as one of two members of Billingsley Investment and Resource Company, LLC.

4. **THE CORNERSTONE INVESTMENT GROUP** ("CORNERSTONE") is an unincorporated investment group with a business address of 1 Perimeter Park South, Suite 100, Birmingham, Alabama 35243.

5. **THE CAPSTONE GROUP** ("CAPSTONE") is an unincorporated investment group with a business address of 1 Perimeter Park South, Suite 100, Birmingham, Alabama 35243.

6. **THE TRI STONE GROUP** ("TRISTONE") is an unincorporated investment group with a business address of 1 Perimeter Park South, Suite 100, Birmingham, Alabama 35243.

7. **BILLINGSLEY INVESTMENT AND RESOURCE COMPANY, LLC.** ("BIRC") is an Alabama company with a business address of P.O. Box 100, Rockford, Alabama 35136

STATEMENT OF FACTS

8. In May of 2011, the Commission opened a formal investigation based on information received by the Commission. The information indicated **RESPONDENTS**, acting as investment advisors, solicited and sold investments.

9. The information indicated **VOURLIOTIS** and **M. BILLINGSLEY** offered and sold investment contracts into "investment partnerships" named **CORNERSTONE**, **CAPSTONE**, **TRI STONE**, and **BIRC**.

10. **VOURLIOTIS** began soliciting investments in **CORNERSTONE** in 1999 and **CAPSTONE** in 2001. **VOURLIOTIS** and **M. BILLINGSLEY** began soliciting investments into **TRI STONE** and **BIRC** in 2003.

11. The securities offered by the **RESPONDENTS** were in the form of investment contract with the various "investment partnerships" **CORNERSTONE, CAPSTONE, TRI STONE** and **BIRC**.

12. The "investment partnerships" reportedly pooled the investment funds and made investments in stock options, futures and commodities.

13. A search of the register maintained by the Registration Division of the Alabama Securities Commission did not list any registrations for the **RESPONDENTS**, or for the securities issued and sold by **RESPONDENTS**.

CONCLUSIONS OF LAW

14. Under Section 8-6-2(18), Code of Alabama 1975, the definition of "Investment Adviser" includes any person, who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities. "Investment Adviser" also includes financial planners and other persons who, as an integral component of other financially related services, provide the foregoing investment advisory services to others for compensation and as part of a business or who hold themselves out as providing the foregoing investment advisory services to others for compensation. **VOURLIOTIS** and **BILLINGSLEY** are investment advisers under the Act.

15. Pursuant to Section 8-6-3(b), Code of Alabama, 1975, it is unlawful for a person to transact business in this state as an investment adviser or investment advisor representative, unless such person is registered with the Commission. **VOURLIOTIS** and **BILLINGSLEY** engaged in an investment advisory business while not registered with the Commission in violation the Act.

16. Pursuant to section 8-6-4, Code of Alabama, 1975, it is unlawful for any person to offer or sell any security in this state unless the security is registered under the Act, the security is exempt from registration under the Act, or the transaction is exempt from registration under the Act. **RESPONDENTS** issued and sold securities in the form of

investment contracts that were not registered, nor exempt from registration, in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the **RESPONDENTS**, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the state of Alabama.


ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENTS** immediately **CEASE AND DESIST** from conducting any securities related business into, within or from the state of Alabama.

Entered at Montgomery, AL, this 27th day of May, 2011.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
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(334) 242-2984

BY:


JOSEPH P. BORG
DIRECTOR