

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

CSS INVESTMENTS	)	ADMINISTRATIVE ORDER
CAREY STINSON SALTER	)	NO. CD-2012-0035
	)	
<u>RESPONDENTS</u>	)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having 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. CSS INVESTMENTS, ("CSSI"), is represented to be an investment company, with a physical address of 106 Martin Street, Evergreen, Alabama 36401, and a mailing address of PO Box 625, Evergreen, Alabama 36401.

2. CAREY STINSON SALTER ("SALTER"), is an Alabama resident with a home address of 106 Martin Street, Evergreen, Alabama 36401. SALTER is listed as the owner of CSS Investments.

STATEMENT OF FACTS

3. The Commission is in receipt of information that, in 2008, SALTER solicited an Alabama resident to invest in CSSI. SALTER represented to the Alabama resident that the investment would pay 20% interest every year, until principal plus accrued interest was repaid. No specific details were given about the nature of the investment.

4. On April 2, 2007, the Alabama resident gave SALTER \$5000.00 as their initial investment in CSSI.

5. On April 20, 2012, the Alabama resident was solicited by SALTER to invest an additional \$5000.00 in CSSI.

6. Both investment checks were made payable to and endorsed by SALTER. Checks were deposited into an account in the name of STEPHEN SALTER, for which SALTER was the signatory.

7. As evidence of each investment, SALTER issued an investment contract to the Alabama resident which promised repayment of the principal amount invested, in addition to 20% interest annually.

8. As the date of this Order, neither of the two principal investment amounts has been repaid as prescribed by the investment contracts, nor has any interest or return been paid to the investor.

9. On November 15, 2012, a review of the Commission's Registration Division files revealed no record of registration for CSS INVESTMENTS, or for CAREY STINSON SALTER as a securities dealer, securities agent, investment advisor or investment advisor representative in the state of Alabama.

10. On November 15, 2012, a review of the Commission's registration Division files disclosed no record of registration, or any perfected exemption from registration for the CSS investment contract issued by SALTER and CSS Investment's.

#### CONCLUSIONS OF LAW

11. Pursuant to Section 8-6-2(10) Code of Alabama 1975, the definition of a "security" includes any "note, stock, treasury stock..... or investment contract...". The investment contract's, issued to the Alabama resident by Respondents, are securities as defined in the Act.

12. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an Agent is identified as any individual, other than a dealer, who represents a dealer or Issuer in effecting or attempting to effect sales of securities. SALTER represented CSSI in

soliciting the sale of CSSI investment contracts, and is an agent under the act

13. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as an agent or dealer of securities unless such person is registered under the Act. By offering and selling securities, to wit: the CSS Investment contract issued to an Alabama resident, SALTER acted as a securities agent of CSSI in Alabama, without benefit of registration with the Commission, in violation of the Act.

14. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in the state of Alabama unless, the security is registered under the Act; the security is exempt from registration under §8-6-10; or the transaction is exempt under §8-6-11. The securities offered and/or sold by Respondents, to wit: the investment contract, issued by CSSI is neither registered, nor exempt from registration, in violation of the Act.

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

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the 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 cost 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 further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 5th day of December, 2012.

ALABAMA SECURITIES COMMISSION

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BY:

  
JOSEPH P. BORG  
Director