

4. On January 19 – 20, 2005, an audit was conducted on the premises of TIDWELL DEWITT. During the audit, Commission staff informed DYER that the 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 violation of the Alabama Securities Act. 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, 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 \$6,787.27 have been "cashed" or otherwise received by TIDWELL DEWITT, while \$2,920.98 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 different results than those provided by TIDWELL DEWITT on July 20, 2006. Therefore, a request was issued via e-mail On August 2, 2006 to DeWitt to reconcile the two results.

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 have been cashed while the balance of \$4,495.31 has been held.

CONCLUSIONS OF LAW

17. 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 registered in the State of Alabama.

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

Further, this Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.


ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS, TIDWELL DEWITT INVESTMENT SERVICES, LLC, and RAIFORD GOODE DYER CEASE AND DESIST from all investment advisory activity in the State of Alabama.

Entered at Montgomery, Alabama this the 7th day of November, 2006.



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BY:


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