

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

PAUL CHRISTOPHER SCHEMITZ, SR.

RESPONDENT

)
)
) **ADMINISTRATIVE ORDER**
) **NO. CD-2008- 0009**
)

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 ("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 SCHEMITZ, SR.**, ("**SCHEMITZ** ") , CRD# 2310289, was a New York resident with a residential address of 38 East Gate Avenue, Copiague, New York, 11728.

STATEMENT OF FACTS

2. From September 11, 2000 until March 14, 2001, **SCHEMITZ** was a registered agent for Royal Hutton Securities Corporation, CRD# 14489. Royal Hutton Securities Corporation was an approved registered Broker Dealer in the state of Alabama from October 23, 1996 to February 4, 2002. Royal Hutton Securities registration was terminated by the United States Securities and Exchange Commission on July 8, 2001. However, at no time during this period was **SCHEMITZ**, in his capacity as an agent of Royal Hutton Securities Corporation, registered to offer for sale securities within the State of Alabama.

3. From March 14, 2001 until August 29, 2001, **SCHEMITZ** was a registered agent for GIT Securities Corporation, CRD# 103735. GIT Securities Corporation applied for registration in the state of Alabama and was granted pending status on August 6, 2001. It was approved and operated as a registered Broker Dealer in Alabama from November 28, 2001 to March 18, 2003. GIT Securities registration was terminated by the United States Securities and Exchange Commission on May 13, 2003. However, at no time during this period was **SCHEMITZ**, in his capacity as an agent of GIT Securities Corporation, registered to offer for sale securities within the State of Alabama

4. On or about, February 12, 2001, **SCHEMITZ** offered and sold stock in RBJ Speed of Thought to an Alabama resident. Information received indicates that **SCHEMITZ** initiated the offer and sell 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, both prior to and at that time of the transactions execution.

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 "Commission" Registration Division, disclosed no record of a notice filing by RBJ Speed of Thought, for a Reg D 506 limited offering exemption.

CONCLUSIONS OF LAW

7. At the time of the offering to the Alabama investor referenced in this order, 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 unregistered securities within in the State of Alabama is a violation of Section 8-6-4, Code of Alabama 1975.

8. At the time of the offering to the Alabama investor referenced in this order, neither **SCHEMITZ**, Royal Hutton Securities Corporation, GIT Securities Corporation, nor RBJ Speed of Thought were registered, or exempt from registration as a Dealer or Agent in the State of Alabama. The offer and/or sale of securities by an unregistered Dealer or Agent in the State of Alabama is a violation of Section 8-6-3 (a), Code of Alabama 1975.

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.

ACCORDINGLY, IT IS HEREBY ORDERED that PAUL CHRISTOPHER SCHEMITZ, SR., 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 18th day of March, 2008



ALABAMA SECURITIES COMMISSION
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(334) 242-2984
BY:


J. Randall McNeill
Deputy Director