

IN THE MATTER OF:

BILL FEW SECURITIES, INC  
JOHN M. SCHNEIDER

RESPONDENTS

**CONSENT ORDER**

**RESPONDENT**

- ## STATEMENT OF FACTS

3. On May 9, 2007, BFS filed Form BD through the Financial Industry Regulatory Authority ("FINRA") Central Registration Depository ("CRD") to apply for registration as a dealer in the state of Alabama.

4. On May 11, 2007, a letter was dispatched to Pershing, LLC., clearing firm for BFS, requesting a listing of Alabama clients of BFS and related documents, including transaction reports detailing transactions and date of transactions, if any.

5. On May 14, 2007, BFS submitted correspondence to the Commission that stated in part "Bill Few Securities, Inc., has not made any offers or sales related to Alabama residents prior to the broker/dealer's application for registration".

6. On June 28, 2007, the Commission received transaction information from Pershing reflecting that between October 14, 2005, and January 16, 2007, SCHNEIDER, acting as an agent for BFS, affected twenty six (26) trades in five (5) accounts of four (4) Alabama residents.

7. On October 9, 2007, BFS submitted correspondence to the Commission that confirmed the transaction information provided by Pershing. BFS's correspondence disclosed one (1) additional Alabama resident with two (2) accounts.

8. BFS's October 9, 2007 correspondence revealed that SCHNEIDER, acting as an agent for BFS, effected twenty-seven (27) trades in the accounts of Alabama residents between July 24, 2007 and August, 28, 2007.

9. BFS's October 9, 2007 correspondence revealed that between October 12, 2005 and July 9, 2007, Alabama residents paid Seven Thousand Seven Hundred Eighty Eight dollars and Forty One cents (\$7,788.41) in management fees to BFS.

10. BFS's October 9, 2007 correspondence stated that two (2) of the account holders moved to Alabama from another state in October of 2005 and two (2) of the account holders moved to Alabama in October 2006.

11. On October 10, 2007, a review of the files of the Commission disclosed no record of registration or exemption from registration of BFS as a dealer or investment advisor in the state of Alabama, nor any record of registration for SCHNEIDER as agent

or investment advisor representative for BFS.

12. On December 3, 2007, The Commission issued Administrative Order CD-07-0033, to respondents , alleging certain violations of the Alabama Securities.

13. On December 12, 2007, BFS responded in writing to the Administrative Order stating in part that BFS operates primarily as a "back office for two SEC registered investment advisors, Private Wealth Advisors, Inc. (PWA), and Bill Few Associates, Inc.(BFA). BFS receives a fixed monthly fee for the services provided to PWA and BFA. The Management fees addressed in paragraph 9 above were fees paid to PWA. BFS provided the Commission with copies of the Management Agreement between the Alabama clients and PWA.

#### CONCLUSIONS OF LAW

14. Pursuant to Code of Alabama 1975, § 8-6-3(a), it is unlawful for any person to transact business in the State of Alabama as a dealer or agent for securities unless properly registered under this Article. BILL FEW SECURITIES, INC., effected securities transactions for an Alabama resident without benefit of broker-dealer registration in the State of Alabama in violation of Section 8-6-3(a).

**WHEREAS**, BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER admit that securities transactions were effected in the State of Alabama prior to registration, and state that the information and assertions presented to the Commission during its investigation of this matter are true and correct; that BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER understand the Commission relied upon such information or assertions in its determination to accept this Agreement, 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**, BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER have voluntarily waived all rights to a hearing upon entry of this Agreement and have consented to the entry of this Agreement; and

**WHEREAS**, the Commission finds this Agreement 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, BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER are desirous of settling this matter as hereafter set forth and agree to the entry of this Order;

**ACCORDINGLY, IT IS HEREBY AGREED:**

1. That BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER shall, until such time as properly registered in the State of Alabama, refrain from effecting securities transactions into, within or from the State of Alabama.

2. That BILL FEW SECURITIES, INC. and JOHN M. SCHNEIDER shall ensure that proper procedures are enacted to prevent any future non-compliance with the Act.

3. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, BILL FEW SECURITIES, INC., shall pay to the **State of Alabama** an administrative assessment in the sum of One Thousand Dollars (\$1,000.00), said funds to be tendered in certified funds contemporaneously with the entry of this Agreement.

4. That in accordance with Section 8-6-19(k)(1), Code of Alabama 1975, BILL FEW SECURITIES, INC. 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 Agreement.

5. That the entry of this Order resolves Administrative Order CD-07-0033 issued December 3, 2007.

**AGREED AND CONSENTED** to on date indicated:

RESPONDENTS:

BILL FEW SECURITIES, INC.

JOHN M. SCHNEIDER

John E. Jones  
Authorized Signatory

[Signature]

John E. Jones

PRINT  
12-27-07  
DATE

\*\*\*\*\*

APPROVED AND AGREED this 2<sup>nd</sup> day of January, 2008.

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

BY:

J. Randall McNeill  
J. Randall McNeill  
Deputy Director

