

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
HELEN SMITH) ADMINISTRATIVE ORDER
RESPONDENT) NO. CO-2013- 0013(a)

CONSENT 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:

RESPONDENT

1. HELEN SMITH, ("SMITH") is listed as a Regional Representative of F A, LTD, with a business address of 50th Street, Global Plaza Tower 19th floor, Suite H, Panama City, 0833, Panama. SMITH has a residential address of 1606 15th Avenue South, Bessemer, Alabama 35020.

STATEMENT OF FACTS

2. The Commission is in receipt of information that F A, LTD maintained and conducted business through their website. The website was used to promote F A, LTD, which was purported to "provide high returns and financial rewards for everyone who invested funds into the Felmina investment options program". F A, LTD was represented to be a "high growth investment company", and was represented to have been in business for over ten (10) years.

3. An investigation conducted by the Commission Staff determined that, SMITH, through F A, LTD, were promoting at least three (3) investment plans. The plans purported to use invested money to finance "risk-free" business loans, and also claimed all funds were insured against loss.

4. Investors were able to calculate purported rates of returns for various investment options by using the Felmina investment calculator provided on the FA, LTD, website. The Felmina calculator allowed investors to see the alleged long-term and short-term benefits of investing with Felmina, at the various rates of daily compounding interest. Investors were lead to believe that the Felmina calculator showed the exact amount of income generated from day one until the end of the investment cycle, when their investment reached its maturity date.

5. FA, LTD program participants entered into the investment contract agreements on the FA, LTD website. The investigation further revealed that program participants were instructed to make deposits, by wire, into an FA, LTD account, via internet based money transmitters such as Liberty Reserve, Perfect Money, Payza, Ego Pay or Solid Trust Pay.

6. Information contained on the FA, LTD website, which was used for the general solicitation of investments, could be viewed by anyone with internet access, including residents of Alabama.

7. A review of the Commission's Registration Division files revealed no record of registration for SMITH as a securities dealer, securities agent, investment advisor, or investment advisor representative in the state of Alabama.

8. A review of the Commission's Registration Division files disclosed no record of registration, or any perfected exemption from registration of the securities offered by FA, LTD.

9. On June 7, 2013, the Commission staff issued Cease and Desist Order No. CD-2013-0013, directing BRICKHAM, KIRK, MENSINGER, and SMITH to immediately cease and desist from further offers or sales of any security into or within or from the State of Alabama.

10. An informal hearing was conducted by conference call on August 2, 2013, with SMITH, who represented herself to be a regional representative of FA, LTD. SMITH stated that his job as a regional representative was to answer questions when contacted by potential investors. SMITH also stated that she had been involved in different multi level marketing deals via the internet. At the conclusion of the call, RESPONDENT agreed to waive any further administrative proceedings available to her, and instead to resolve this matter by way of Consent Order.

CONCLUSIONS OF LAW

11. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a "security" includes any "investment contract." The investment plans offered, through FA, LTD, constitute investment contracts and are securities as defined in the Act.

12. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an agent is any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. Through SMITH actions, as described herein, SMITH acted as an agent of FA, LTD by soliciting the sale of securities, to wit: investment contracts in FA, LTD, 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 a dealer or agent for securities unless such person is registered under the Act. SMITH was not registered as an agent or broker dealer in Alabama 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 Section 8-6-10; or the transaction is exempt under Section 8-6-11. The securities offered and/or sold by SMITH to wit: investment contracts, issued by F A, LTD were neither registered, nor subject to a perfected exemption from registration, and were being offered / sold in Alabama in violation of the Act.

WHEREAS, RESPONDENT SMITH admits that the securities transactions were offered in the state of Alabama prior to registration and states that the information and assertions presented to the Commission during its investigation of this matter are true and correct; that RESPONDENT SMITH understand the Commission reliance upon such information and assertions in its determination to accept this Order, and that should such 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.

WHEREAS, RESPONDENT SMITH have voluntarily waived all rights to a hearing upon entry of this Order, and have consented to the entry of this Order, and

WHEREAS, the Commission finds this Order 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 and RESPONDENT SMITH, are desirous of settling this matter as hereafter set forth and agree to the entry of this Order.

WHEREAS, SMITH admitted to the misconduct detailed in this Order and willingly provided information to the Commission staff concerning her involvement in the promotion of the FELMINA investment program. Information provided indicates that SMITH, as an investor in FELMINA, suffered a loss of her principle balance, as did the majority of other participants in the investment program. Furthermore, SMITH never had any contact with the owners of FELMINA, and never participated in the company's operation or administration. In addition, the Commission's investigation disclosed no evidence that SMITH benefited from her involvement in the investment program.

ACCORDINGLY, IT IS HEREBY ORDERED:

That RESPONDENT SMITH 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.

This Consent Order is entered into for the purpose of resolving CD-2013-0013 as it relates to Respondent SMITH. This Consent Order does not nullify, dismiss, impact, or otherwise affect any private cause of action or proceedings as to Respondent SMITH, which may or may not arise from the circumstances presented in the statement of facts detailed in CD-2013-0013 or this Consent Order.

That RESPONDENT SMITH, shall ensure that proper procedures are enacted to preclude any future non-compliance with the Act.

That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, RESPONDENT SMITH, shall pay to the **State of Alabama** an administrative assessment in the total sum One Hundred Twenty Five Dollars (\$125.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

That in accordance with Section 8-6-19(k)(1), Code of Alabama 1975, RESPONDENT SMITH, shall pay to the **Alabama Securities Commission**, as partial reimbursement for the Commission's cost for investigating this matter, the sum of One Hundred Twenty Five Dollars (\$125.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

That the entry of this Order resolves the Cease and Desist Order, Administrative Order No. CD-2013-0013, issued June 7, 2013, to **RESPONDENT SMITH**.

AGREED AND CONSENTED to on dates indicated:

RESPONDENT:

HELEN SMITH

BY: Alben Smith
DATE: 9/10/2014

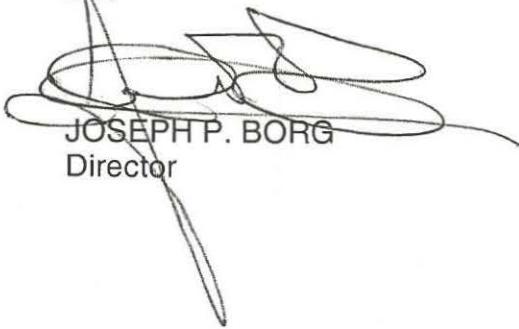
APPROVED AND ORDERED this 18 day of Sept., 2014.

ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, AL 36130-4700



(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "JOSEPH P. BORG".

JOSEPH P. BORG
Director