

remained in a cash account and never invested into the portfolio that was discussed during the new client onboarding process. The Commission conducted an audit on June 29, 2021, which revealed multiple client accounts that held high cash holdings with little to no activity. During this timeframe, H. Beck Inc. was purchased by Grove Point Financial and Mitcham became an investment advisor representative with GPA.

3. On multiple occasions, as both an associated person of GPI and GPA, it appears that Mitcham did not make timely trades in clients' accounts, resulting in clients' deposits being held in cash accounts for extended periods of time.

4. The audit revealed outside business activity in which Mr. Mitcham is the registered agent for Mitcham Guns, LLC. Mr. Mitcham did get approval for Mitcham Guns, LLC which he described as a hobby where he builds custom guns to order. At the time of approval, the address for Mitcham Guns, LLC was the same as the Grove Point branch (1000 Forrest Place, Suite 3, Pell City, AL 35128). At the time of the examination, Mitcham Guns, LLC was a stand-alone gun and outdoor retail store located at 2245 Martin Street South, Pell City 35128, with a large online presence, as well. Mitcham Guns and Outdoor retail store has been in operation since September 3, 2018. Mr. Mitcham failed to update the location and scope of the business concerning Mitcham Guns, LLC during his annual attestations listing outside business activity.

5. In accordance with FINRA Rule 3270, no registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member. The notice must contain complete and accurate information.

CONCLUSIONS OF LAW

6. Alabama Securities Act Section 8-6-17(b)(4) Code of Alabama 1975, states in part, “It is unlawful for any person who receives, directly or indirectly, any consideration from another person for advising the other person as to the value of securities or their purchase or sale to engage in dishonest or unethical practices as the Commission may define by rule.” MITCHAM failed to make timely purchases in clients’ accounts from the funds that were held in cash in the accounts in violation of Rule 830-X-3-.21 and Section 8-6-17(b)(4), Code of Alabama 1975.

ORDER

On the basis of the Statement of Facts, Conclusions of Law, and MITCHAM’s consent to the entry of this Order,

IT IS HEREBY ORDERED:

7. This Order concludes the Investigation and any other action that the Alabama Securities Commission could commence under applicable Alabama law on behalf of Alabama as it relates to the substance of the Findings of Fact and Conclusions of Law herein, provided however, that excluded from and not covered by this paragraph are any claims by the Alabama Securities Commission arising from or relating to the undertakings contained herein or MITCHAM’s failure to comply with the same.

8. This Order is entered into solely for the purpose of resolving the referenced investigation and is not intended to be used for any other purpose.

9. MITCHAM shall CEASE AND DESIST from violating any provision of the Alabama Securities Act and specifically will comply with Section 8-6-17(b)(4), Code of Alabama 1975.

10. MITCHAM shall pay as a civil penalty to the state of Alabama within 10 months of the entry of this Consent Order, the sum of fifteen thousand Dollars (\$15,000.00). The fifteen thousand Dollars (\$15,000.00) shall be paid in the following manner:

11. MITCHAM shall pay the sum of five thousand Dollars (\$5,000.00) within 90 days of the entry of this Consent Order to the Alabama Council on Economic Education, Attention: Wanda McAbee, 120 19th Street North, Suite 200-2521, Birmingham, AL 35203.

12. MITCHAM shall pay the sum of ten thousand Dollars (\$10,000.00) within 10 months of the entry of this Consent Order in recission to the Alabama client whose funds remained in a cash account from July 2020 and were not invested in a portfolio until April 2021. These funds shall be paid on the 1st of every month in the amount of one thousand Dollars (\$1,000.00) for 10 months. The payments shall start April 1, 2025.

13. Payment to the Alabama client must be made on the 1st of every month by check made payable to the Alabama client and hand delivered or mailed to PO Box 304700, Montgomery, AL 36130-4700.

14. This Order and any dispute related thereto shall be construed and enforced in accordance with, and governed by, the laws of the Alabama without regard to any choice of law principles.

15. MITCHAM, through the execution of this Order, voluntarily waives his right to a hearing on this matter and to judicial review of this Consent Order under Section 8-6-32, Code of Alabama 1975.

AGREED AND CONSENTED to on the date indicated:

RESPONDENT

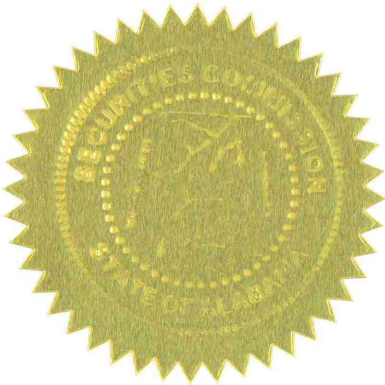


THOMAS MATTHEW MITCHAM

DATE: 03/26/2025

ENTERED BY THE DIRECTOR THIS 30th day of March, 2025.

BY ORDER OF Alabama Securities Commission





Amanda L. Senn
Director
Alabama Securities Commission