

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: *

BRIAN SELLERS d/b/a * Securities Docket No. 2019-0203
SOUND INVESTMENT EQUITY, LLC *

Respondent *

* * * * *

FINAL ORDER

WHEREAS, the Securities Division of the Office of the Maryland Attorney General (the “Division”), pursuant to the authority granted in section 11-701 of the Maryland Securities Act, Corporations and Associations Article, Title 11, Annotated Code of Maryland (2014 Repl. Vol. and 2018 Supp.) (the “Act” or “Securities Act”), undertook an investigation into the activities of Brian Sellers d/b/a Sound Investment Equity, LLC (“Seller”) and

WHEREAS, on October 18, 2019, on the basis of that investigation, the Maryland Securities Commissioner (the “Commissioner”) issued an Order to Show Cause (“Order”) requiring Respondent to show cause why he should not be barred permanently from engaging in the securities and investment advisory business in Maryland and why a statutory penalty of up to \$5,000 per violation should not be entered against him; and

WHEREAS, on October 18, 2019, the Order was served on the Commissioner pursuant to section 11-802(b) of the Act and sent by certified mail to Respondent; and

WHEREAS, on October 21, 2019, the U.S. Postal Service left a notice of the certified mailing at Respondent’s address requiring him to arrange for delivery or to pick up the Order at the post office; and

WHEREAS, to date, Respondent has not arranged for delivery or picked up the Order at the post office; and

WHEREAS, Respondent failed to timely file an Answer to the Order or to make a written request for a hearing, as required by COMAR .02.02.06.06A; and

WHEREAS, the Commissioner has determined that it is in the public interest to issue this Final Order against Respondent;

NOW, THEREFORE, pursuant to sections 11-301, 11-401, 11-501, and 11-701.1(a) of the Act, THE COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-801 of the Act.

II. RESPONDENT

2. Sellers resides in Yardley, Pennsylvania. He has never been registered as a broker-dealer, agent, investment adviser, or investment adviser representative in the State of Maryland. Sound Investment Equity, LLC (“SIE”) is a d/b/a/ for Sellers. SIE has never been registered as a broker-dealer or investment adviser in the State of Maryland.

III. FINDINGS OF FACT

3. On January 17, 2018, Respondent entered into a private placement memorandum of understanding (“PPM”) through SIE with an investor in Maryland.

4. The Maryland investor wired Sellers \$150,000 in return for his membership interest.

5. Sellers promised the Maryland investor a 100% return on his investment in 12 months.

6. On information and belief, Sellers used the funds for personal expenses.
7. No risk disclosure was given to the Maryland investor for his investment in the private placement including the risk that Sellers would use the funds for personal expenses.
8. Seller sold a security in this State without registering the security or making an exemption filing, and the security is not a federal covered security.
9. Sellers is not registered to sell securities in the State.
10. Seller did not disclose that neither he nor the security he was selling was property registered in the State or exempt from registration.

IV. CONCLUSIONS OF LAW

The Commissioner concludes that:

11. Respondent violated section 11-501 of the Act by offering and selling unregistered securities as described above.
12. Respondent transacted business as a broker-dealer or agent in this State by effecting a securities transaction in a membership interest in a limited liability company while he was not registered with the Division as a broker-dealer or agent, in violation of section 11-401(a) of the Act.
13. Respondent violated section 11-301 of the Act by engaging in the offer and sale of a membership interest in a limited liability company without disclosing the risks associated with the investment.

V. SANCTIONS

NOW, THEREFORE, IT IS HEREBY ORDERED that:

- a. Respondent shall cease and desist from violating sections 11-501, 11-401, and 11-301 of the Act.

b. Respondent is permanently barred from engaging in the securities or investment advisory business in Maryland for or on behalf of any others, or from acting as a principal or consultant in any entity so engaged.

c. Respondent is assessed a civil monetary penalty pursuant to section 11-702 of the Act in the amount of \$15,000 for the violations set forth in this Order. Payment shall be by certified check payable to the Office of the Attorney General. Said penalty shall be paid within ninety (90) days of the date of this Order. However, this penalty shall be reduced dollar for dollar by the amount of restitution made, within forty-five (45) days of the date of this Order, by Respondent to the investor. Payment of restitution shall be by certified check payable to the Office of the Attorney General and then distributed by the Office of the Attorney General in a manner within its discretion.

VI. JURISDICTION RETAINED

14. Jurisdiction shall be retained by the Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Order.

VII. APPEAL RIGHTS

15. Respondent may appeal this Final Order to the appropriate Circuit Court of the State of Maryland within 30 days from the date this Order is mailed by the Securities Division.

SO ORDERED:

**Commissioner's Signature on File
w/Original Document**

November 13, 2019

Melanie Senter Lubin
Maryland Securities Commissioner

