

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

G. Thomas Cooper, Jr., Circuit Court Judge

Case No. 2014-CP-40-3389

Alan Wilson, Securities Commissioner
Of South Carolina.,

Respondent,

v.

Integrated Capital Strategies, LLC,

Appellant.

RECEIVED

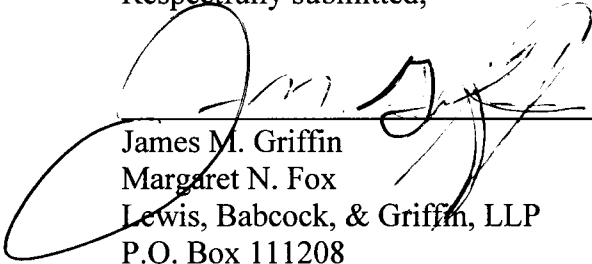
AUG 15 2014

SC Court of Appeals

AMENDED NOTICE OF APPEAL

Integrated Capital Strategies, LLC (“ICS”) appeals the Judgment entered July 1, 2014 upon the June 25, 2014 Order of the Honorable G. Thomas Cooper, Jr. granting the Respondents’ Application for an Order Requiring Compliance with a Subpoena. ICS also appeals the July 31, 2014 Order denying its Motion for Reconsideration of the June 25, 2014 Order. A copy of the June 25, 2014 Order and the July 31, 2014 Order are attached hereto as Exhibits A and B, respectively.

Respectfully submitted,



James M. Griffin
Margaret N. Fox
Lewis, Babcock, & Griffin, LLP
P.O. Box 111208
Columbia, South Carolina 29211
(803) 771-8000
Attorney for the Appellants

Columbia, South Carolina
August 15, 2014

Other Counsel of Record:
Ian Parks Weschler, Assistant Attorney General Securities Division

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

G. Thomas Cooper, Jr., Circuit Court Judge

Case No. 2014-CP-40-3389

Alan Wilson, Securities Commissioner
Of South Carolina.,

Respondent,

v.

Integrated Capital Strategies, LLC,

Appellant.

RECEIVED
AUG 15 2014
SC Court of Appeals

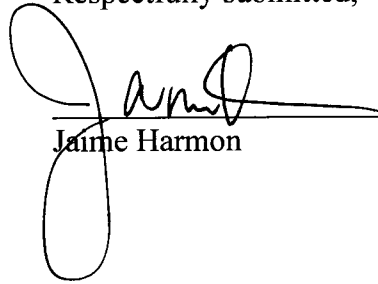
PROOF OF SERVICE

I, Jaime Harmon, the undersigned employee of Lewis, Babcock & Griffin L.L.P, attorney for Appellant Integrated Capital Strategies, LLC, do hereby certify that I have served a copy of the foregoing Amended Notice of Appeal, in connection with the above-referenced case by hand delivering a copy of the same to the following address on August 15, 2014:

Ian P. Weschler
Assistant Attorney General
Securities Division
1000 Assembly Street, Room 519
Columbia, SC 29201

The Honorable Jeanette McBride
Clerk of Court, Richland County
1701 Main Street, Room 205
Columbia, SC 29201

Respectfully submitted,



Jaime Harmon

Columbia, South Carolina
August 15, 2014

A. CAMDEN LEWIS
KEITH M. BABCOCK
JAMES M. GRIFFIN
ARIAIL E. KING
J. RYAN HEISKELL*
MARGARET N. FOX**

* ALSO ADMITTED IN D.C.
** ALSO ADMITTED IN N.C.



LEWIS, BABCOCK & GRIFFIN L.L.P.

1513 HAMPTON STREET
P.O. BOX 11208 (29211)
COLUMBIA, S.C. 29201
FACSIMILE: 803-733-3541
TELEPHONE: 803-771-8000

WEBSITE: WWW.LBGLEGAL.COM

EMAIL: JLH@LBGLEGAL.COM

August 15, 2014

RECEIVED

AUG 15 2014

SC Court of Appeals

VIA HAND DELIVERY

The Honorable Jenny Abbott Kitchings
Clerk of Court, South Carolina Court of Appeals
1015 Sumter Street
Columbia, SC 29201

**Re: Alan Wilson, Securities Commissioner of South Carolina v. Integrated
Capital Strategies, LLC
Case No. 2014-CP-40-03389
Appellant Case No. 2014-001652**

Dear Ms. Abbott Kitchings:

Enclosed please find the original and three copies of Appellant's Amended Notice of Appeal in the above-referenced case. Please file these documents and return the clocked copies to this office via our courier.

By copy of this letter and as evidenced on the Proof of Service, I am serving the Clerk of Court, Richland County, and counsel of record.

If you have any questions, please do not hesitate to contact me.

With kind regards, I am

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jaime Harmon', is written over a horizontal line. The signature is fluid and cursive.

Jaime Harmon
Assistant to James M. Griffin

/jh
Enclosures

cc: Ian P. Weschler (Via Hand Delivery)
Clerk of Court, Richland County (Via Hand Delivery)

Exhibit A

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
IN THE COURT OF COMMON PLEAS

CASE NUMBER: **2014CP4003389**

Alan Wilson

Intergrated Capital Strategies LLC

Securities Commissioner of South Carolina

DEFENDANT(S)

PLAINTIFF(S)

Submitted by: _____

Attorney for : Plaintiff Defendant or Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED (CHECK REASON):** Rule 12(b), SCRPC; Rule 41(a), SCRPC (Vol. Nonsuit);
 Rule 43(k), SCRPC (Settled); Other _____
- ACTION STRICKEN (CHECK REASON):** Rule 40(j), SCRPC; Bankruptcy;
 Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; Other _____
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
 Affirmed; Reversed; Remanded; Other _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: See attached order (formal order to follow) Statement of Judgment by the Court:

ORDER INFORMATION

This order ends does not end the case.
Additional Information for the Clerk : _____

INFORMATION FOR THE PUBLIC INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled
		\$
		\$
		\$

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge _____ Judge Code _____ Date _____

For Clerk of Court Office Use Only

This judgment was entered on the _____ day of _____, 20____ and a copy mailed first class or placed in the appropriate attorney's box on this 1 July 2014 to attorneys of record or to parties (when appearing pro se) as follows:

Ian Parks Weschler

Margaret Nicole Fox

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter _____

Clerk of Court

Jeanette W. McBride

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT

ALAN WILSON, SECURITIES)
COMMISSIONER OF SOUTH)
CAROLINA,)

Case No. 2014-CP-400-3389

Applicant,)

v.)

INTEGRATED CAPITAL)
STRATEGIES, LLC,)

**ORDER REQUIRING
COMPLIANCE WITH A SUBPOENA**

Respondent.)

RICHLAND COUNTY
FILED
2014 JUN 30 PM 12:06
CLERK OF COURT
JAMES M. GRIFFIN, JR.

Hearing Date: June 10, 2014
Presiding Judge: The Honorable G. Thomas Cooper, Jr.
On Behalf of the Respondent: James M. Griffin, Esq.
On Behalf of the Applicant: Ian P. Weschler, Esq.

This matter came before the Court as the result of an Application for an Order Requiring Compliance with a Subpoena filed by Alan Wilson, Securities Commissioner of South Carolina (the "Commissioner"). The Commissioner seeks enforcement of an administrative subpoena (the "Subpoena") issued by the Securities Division of the Office of the Attorney General of South Carolina (the "Securities Division") to Integrated Capital Strategies, LLC ("ICS") as part of an investigation under File No. 14023. For the reasons set forth below, the Court grants the Commissioner's Application and ICS is hereby ordered to comply with the Subpoena.

I. FACTUAL BACKGROUND

On April 9, 2014, the Securities Division issued the Subpoena to ICS. The Subpoena was addressed to ICS' address in Charlotte, North Carolina, as listed on

the website for the North Carolina Secretary of State. The Subpoena sought various documents related to an ongoing investigation being conducted into the offer and sale of securities by Certus Holdings, Inc. and CertusBank, N.A. (collectively, "Certus") in and from South Carolina. The documents sought pursuant to the Subpoena were required to be produced by Friday, April 25, 2014. To date, ICS has declined to produce the records to the Securities Division.

ICS' managers were the founders of and, until their termination in April of 2014, employees of Certus. ICS provided extensive services to Certus both at Certus' Greenville, South Carolina headquarters and elsewhere in and outside the state. Evincing the interrelated relationship between the two companies, not only were ICS' managers executives at Certus, but ICS' records custodian is or was, herself, an employee of Certus.

On April 23, 2014, ICS' attorney contacted the Securities Division and requested an extension of time in which to examine the Subpoena and prepare a response. On Friday, May 2, 2014, representatives of the Securities Division met with ICS' attorney and reiterated the request for documents. On Tuesday, May 6, 2014, ICS formally objected to the subpoena, alleging that the Securities Division lacked jurisdiction over it. On May 23, 2014, the Commissioner applied for and was granted a Rule to Show Cause directed at ICS, and ordering both parties to appear before the Court on June 10, 2014. At the June 10, 2014 hearing, the Court heard arguments from the Commissioner and ICS. This Order follows.

Handwritten signature and initials, possibly "GJ" or "SJ", with a small "2" written below it.

II. LAW AND ANALYSIS

A. The Court has Jurisdiction over this Action and over the Respondent.

The Court has jurisdiction over this action pursuant to Article 6 of the South Carolina Uniform Securities Act of 2005 (the "Securities Act"). As set forth the Securities Act, the mechanism for subpoena enforcement is for the Commissioner to "apply to the Richland County Court of Common Pleas...to enforce compliance." S.C. Code Ann. § 35-1-602(c) (Supp. 2013). Whereupon, the Court may, *inter alia*, "order the production of records." *Id.* Accordingly, the Court is the appropriate venue in which to seek the enforcement of the Subpoena. Moreover, the Uniform Securities Act has been interpreted, consistent with due process, to permit the enforcement of subpoenas issued to foreign actors who have transacted business within the state. *See, e.g., Silverman v. Berkson*, 661 A.2d 1266 (N.J. 1995).¹ Thus, ICS is subject to the power of the Court.

ICS alleges that the Commissioner lacks jurisdiction over it because the Subpoena was not served pursuant to South Carolina's long arm statute. However, as the Subpoena was validly served pursuant to the Securities Act, ICS' assertion is unavailing. Pursuant to S.C. Code Ann. § 35-1-611 (c), the Securities Act permits the service of subpoenas to in-state and out-of-state respondents, through the mailing, return receipt requested, of the document or documents in question to a respondents' address and the execution of an affidavit of compliance. Further, S.C.

¹ Additionally, as ICS has transacted significant business in this State, it should have reasonably anticipated the possibility of being haled into a South Carolina Court. *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 297 (1980).

617 #3

Code Ann. § 35-1-611(d) permits service pursuant to Section 611(c) in any proceeding to which the Commissioner is a party, as he is here. As is evidenced by the Subpoena and its accompanying Certificate of Service and Affidavit of Compliance, the Securities Division followed the requirements for proper service as set forth in the Securities Act when it served the Subpoena on ICS. Therefore, the Court finds that the subpoena was validly served upon ICS.

B. The Commissioner Has Met the Burden for Enforcement of the Subpoena.

When a court's jurisdiction is invoked in a subpoena enforcement action "the scope of issues which may be litigated...must be narrow, because of the important governmental interest in the expeditious investigation of possible unlawful activity." *F.T.C. v. Texaco, Inc.*, 555 F.2d 862, 872 (D.C. Cir. 1977); *see also United States v. Am. Target Adver., Inc.*, 257 F.3d 348, 351 (4th Cir. 2001) (citations and internal quotation marks omitted) ("[A] court's role in enforcing administrative subpoenas is sharply limited."); *RNR Enterprises, Inc. v. SEC*, 122 F.3d 93, 96 (2d Cir. 1997), *cert. denied sub nom, Wells v. S.E.C.*, 522 U.S. 958 (1997) (same); Louis Loss & Joel Seligman, *Fundamentals of Securities Regulation* 1490-1493 (4th Ed. 2004). To that end, the United States Supreme Court has set forth a multi-factor test for judicial enforcement of administrative subpoenas. Under this test, a court should enforce an administrative subpoena when "the inquiry is within the authority of the agency, the demand is not too indefinite, and the information sought is reasonably relevant." *United States v. Morton Salt*, 338 U.S. 632, 650

617 #4

(1950); see also *See v. City of Seattle*, 387 U.S. 541, 544 (1967) (*Morton Salt* analysis in the context of a state administrative subpoena); *SEC v. Arthur Young & Co.*, 584 F.2d 1018, 1023-24 (D.C. Cir. 1978); *United States v. Powell*, 379 U.S. 48, 57-58 (1964); *State ex rel. Miller v. Publishers Clearing House, Inc.*, 633 N.W.2d 732, 736 (Iowa 2001) (state court employing the same analysis in enforcing an administrative subpoena); S.C. Code Ann § 35-1-602, cmt. 2 (citing 10 Louis Loss & Joel Seligman, *Securities Regulation* 4917-4937 (3d ed. Rev. 1996) and explaining “[t]he standards for the issuance of subpoenas have been generally established in federal and state securities laws.”). The Court finds that the Subpoena meets each of these factors.

i. The Subpoena is within the Securities Division’s authority.

Pursuant to S.C. Code Ann. § 35-1-602, the Commissioner and his designee, the Securities Division, are vested with broad authority to conduct investigations into possible violations of the Securities Act and to require production of evidence relevant to such investigations. In furtherance of this investigative power, S.C. Code Ann. § 35-1-601(b) permits the Commissioner or his designees to “subpoena witnesses, seek the compulsion of evidence, take evidence, require the filing of statements, and require the production of any records that the Securities Commissioner considers relevant or material to [an] investigation” (emphasis added). As is the case with other administrative agencies, the Securities Division’s investigative power, as delegated to it by the Commissioner, is statutory and is analogous to that of a grand jury. *Morton Salt*, 338 U.S. at 642-43; see also *Small Bus. Admin. v. Barron*, 240 F. Supp. 434, 445 (W.D.S.C. 1965); *In re Subpoena*

Duces Tecum, 228 F.3d 341, 347 (4th Cir. 2000). Like a grand jury, an administrative agency “can investigate merely on suspicion that the law is being violated, or just because it wants assurance that it is not.” *Morton Salt, supra*; *Myers v. Holshouser*, 214 S.E.2d 630, 637 (N.C.App. 1975) (“The purpose of an administrative investigation is to protect the public; therefore, the public's interest in applying more relaxed criteria for administrative investigations is greater than the regulated person's, firm's, or corporation's right to privacy.”). Consistent with well-established administrative law precedents, the Securities Division is acting within the scope of its legislatively granted authority even where its investigation is based on nothing more than “official curiosity.” See, e.g., *Arthur Young & Co.*, 584 F.2d at 1023-24 & n. 45. In the instant matter, the Securities Division is investigating allegations of securities fraud, and such an inquiry falls directly within its mandate as set forth in the Securities Act.

a. The Securities Division's inquiry is not preempted.

Respondents raise the claim, on behalf of Certus, which is not a party to this action, that the Securities Division's investigation is preempted by the National Bank Act of 1864, 12 U.S.C.A. § 484 (West 2013) (the “NBA”), and the regulations promulgated thereunder by the Office of the Comptroller of the Currency (the “OCC”). The Respondents cite *Cuomo v. Clearing House Ass'n, LLC*, 557 U.S. 519 (2009), for this presumption. In *Cuomo*, the Attorney General of New York sought, pursuant to the State of New York's inherent powers of visitation and without the

317 # 6

use of a subpoena,² information related to *bank lending practices* from a number of nationally chartered banks. Following a suit by the OCC and others, the Supreme Court determined that New York's visitation powers over the bank were preempted by the NBA and the rules promulgated thereunder. Those facts are entirely inapplicable in this action. Further, it is important to note that Certus itself has not raised any objection to the Securities Division's exercise of investigatory jurisdiction, and that ICS, while closely related to Certus, cannot assert any claims on Certus' behalf. In this case, the Securities Division, pursuant to the investigative authority conferred by the General Assembly and granted to it by the Commissioner, is conducting a lawful investigation in order to determine whether or not the Securities Act has been violated. The Securities Division is not seeking to investigate a bank *qua* bank, and therefore is not attempting to exercise the sovereign power of visitation over Certus. It has long been recognized, and the Court agrees here, that such investigations are not preempted by the NBA. *Peoples Bank of Danville v. Williams*, 449 F.Supp. 254, 260 (4th Cir. 1978) (an "SEC inquiry is not a 'visitorial power' within the understanding" of the NBA); *see also Bank of America Nat. Trust & Savings Ass'n v. Douglas*, 70 App.D.C. 221, 227 (D.C. Cir.

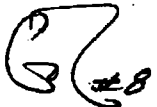
² At the time of the enactment of the National Bank Act in 1864, the term visitation "was accordingly understood as the act of examining into the affairs of a corporation by the government itself. Lower courts understood visitation to mean the act of a superior or superintending officer, who visits a corporation to examine into its manner of conducting business, and enforce an observance of its laws and regulations. A State was the visitor of all companies incorporated in the State, simply by virtue of the State's role as sovereign." *Cuomo*, at 526 (2009) (Scalia, J.) (citations and internal quotation marks omitted).

GC #7

1939) (SEC subpoena to a bank as part of a securities investigation was not an "exercise of visitorial powers"); *Cuomo*, at 528-29.

b. ICS is subject to the Securities Division's investigatory powers.

Additionally, ICS alleges that the Securities Division has no jurisdiction over it or Certus under the assumption that Certus did not offer or sell securities in South Carolina. However, it is well-settled that the issue of subject matter jurisdiction is "not to be decided in subpoena enforcement actions," as administrative agencies like the Securities Division, "must be free without undue interference or delay to conduct an investigation which will adequately develop a factual basis for a determination as to whether particular activities come within...[its]...regulatory authority." *SEC v. Brigadoon Scotch Distributing Co.*, 480 F.2d 1047, 1053-54 (2nd Cir. 1973); *see also Gardner v. Lefkowitz*, 412 N.Y.S.2d 740, 745 (N.Y.Sup.Ct. 1978) (holding that New York's securities act permits the Attorney General to investigate in order to determine whether or not "the subject being investigated comes within the scope of his authority"). Indeed, "it has long been established that the question of inclusion of a particular person or entity within the coverage of a regulatory statute is generally for initial determination by an agency, subject to review on direct appeal, rather than for a...court whose jurisdiction is invoked to enforce an administrative subpoena." *SEC v. Wall Street Transcript Corp.*, 422 F.2d 1371, 1375 (2nd Cir. 1970), *cert. denied*, 398 U.S. 958 (1970) (citing, *inter alia*, *Powell*, 379 U.S. at 57-58; *FTC v. Crafts*, 355 U.S. 9 (1957); *Endicott*



Johnson Corp. v. Perkins, 317 U.S. 501, 517 (1943) (not even a showing of probable coverage can be required in a subpoena enforcement action)); *see also F.T.C. v. Texaco*, 555 F.2d at 879 ("As a general rule, substantive issues which may be raised in defense against an administrative complaint are premature in an enforcement proceeding."); *SEC v. Vacuum Can Co.*, 157 F.2d 530, 532 (7th Cir. 1946) (citations omitted) ("The purpose of a subpoena is to gather evidence, not prove a pending charge."); 1 Davis, *Administrative Law*, § 4.1 (3rd ed. 1994). Furthermore, it would utterly frustrate the law enforcement purpose of administrative agency investigations to limit an administrative agency's subpoena power to entities within that agency's regulatory jurisdiction, and such a limitation has been universally rejected. *See* 27 A.L.R 1208 (1953); *Freeman v. Fidelity Trust Co.*, 248 F.Supp 487, 492 (E.D. Penn. 1965) ("It is by now abundantly clear that for an administrative agency to exercise subpoena power in aid of its investigatory power, it need not show that it has jurisdiction over the witness subpoenaed."); *United States v. Art Metal-U.S.A., Inc.*, 484 F. Supp. 884, 887 (D.N.J. 1980); *Sandsend Financial Consultants, Ltd. v. Federal Home Loan Bank Board*, 878 F.2d 875 (5th Cir. 1989); *McGarry v. SEC*, 147 F.2d (10th Cir. 1945); *State ex rel. R.R. & Warehouse Commission v. Mees*, 49 N.W.2d 386, 392 (Minn. 1951) (witness subpoenaed by administrative agency need not be under direct regulatory authority of the agency so long as "the information sought is relevant and material to the investigation"). Additionally, the Uniform Securities Act has been interpreted to confer investigative subpoena power over out-of-state entities, which do not come

GC 9

under the Securities Commissioner's regulatory authority. *Raymond Lee Organization, Inc. v. Securities Commission*, 543 P.2d 75, (Colo.App. 1975), *rev'd on other grounds*, 556 P.2d 1209 (Colo. 1976) (stating that "[s]uch an investigative procedure is permitted by the holding in *Natural Gas Pipeline v. Slattery*, 302 U.S. 300 [(1937)]."). Accordingly, the Court finds that the Subpoena and the information sought by it are within the Securities Division's delegated authority under the Securities Act.

ii. The information sought is reasonably relevant.

Like the issue of coverage, the issue of relevance is a threshold matter to be determined by the Securities Division. *See, e.g., Arthur Young & Co.*, 584 F.2d at 1031 (the scope of the SEC's subpoena power is "co-extensive" with its investigative power, and that the SEC is given the sole discretion to determine what is relevant to an investigation.). In the context of an administrative subpoena, relevance must be construed broadly as "law enforcing agencies have a legitimate right to satisfy themselves that corporate behavior is consistent with the law and the public interest." *Morton Salt Co.*, 338 U.S. at 652. Indeed, courts "defer to the agency's appraisal of relevancy, which must be accepted so long as it is not obviously wrong." *RNR Enterprises*, 122 F.3d at 97 (citations and internal quotation marks omitted). To that end, information is relevant to an investigation when it is "not plainly incompetent or irrelevant to any legal purpose." *Endicott Johnson*, 317 U.S. at 509. In the present case, the Securities Division has determined that the information and documents sought from ICS are relevant to its investigation. For instance, the

GU 10

billing records, the contracts related to work to be performed on behalf of Certus, and a list of the employees of ICS are each relevant to determine ICS' relationship with Certus. The Securities Division believes these documents, collectively, to be important to the process of determining whether or not Certus or any of its employees committed violations of the Securities Act. When an inquiry such as this is legally authorized and the information sought is relevant to the inquiry, the burden of showing unreasonableness shifts to the Respondent, and such a burden "is not easily met." *Brigadoon Scotch*, 480 F.2d at 1056. ICS has failed to meet that burden as it has not shown the records sought by the Subpoena to be incompetent or irrelevant to any legal purpose. *Endicott Johnson, supra*.

iv. The Subpoena is not too indefinite.

In addition to the factors discussed above, in order for an administrative subpoena to be enforced, it is also necessary that the information sought by it must not be too indefinite. *Morton Salt*, 338 U.S. at 650. Here, the Court finds that the Attachment to the Subpoena clearly sets forth the nature of the documents sought and the timeframe for ICS to produce those documents, thus, Subpoena itself is not too indefinite.



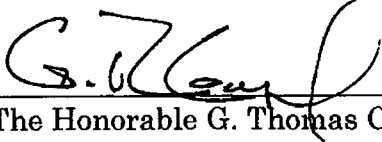
III. CONCLUSION

Having considered the arguments of both parties and reviewed the extensive case law on the subject of the enforcement of administrative subpoenas, the Court finds that the Subpoena, which was validly issued and served, meets the well-established requirements for judicial enforcement. Accordingly, it is hereby,

ORDERED that the Commissioner's Application for an Order Requiring Compliance with a Subpoena is **GRANTED** and Integrated Capital Strategies, LLC shall fully comply the Subpoena served upon it by the Securities Division by producing to the Securities Division any and all documents within its possession, custody, or control responsive to the Subpoena no later than ten days from the issuance of this Order; and

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes necessary and appropriate to insure compliance with this Order.

IT IS SO ORDERED.


The Honorable G. Thomas Cooper, Jr.
Circuit Court Judge

This 25 day of JUNE, 2014.
Columbia, South Carolina

Exhibit B

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NUMBER: **2014CP4003389**

Alan Wilson

Intergrated Capital Strategies LLC

Securities Commissioner of South Carolina

PLAINTIFF(S)

DEFENDANT(S)

Submitted by: _____

Attorney for : Plaintiff Defendant or Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED (CHECK REASON):** Rule 12(b), SCRPC; Rule 41(a), SCRPC (Vol. Nonsuit);
 Rule 43(k), SCRPC (Settled); Other _____
- ACTION STRICKEN (CHECK REASON):** Rule 40(j), SCRPC; Bankruptcy;
 Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; Other _____
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
 Affirmed; Reversed; Remanded; Other _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: See attached order (formal order to follow) Statement of Judgment by the Court:

ORDER INFORMATION

This order ends does not end the case.

Additional Information for the Clerk : _____

INFORMATION FOR THE PUBLIC INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled
		\$
		\$
		\$

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge _____ Judge Code _____ Date _____

For Clerk of Court Office Use Only

This judgment was entered on the _____ day of _____, 20____ and a copy mailed first class or placed in the appropriate attorney's box on this 5 August 2014 to attorneys of record or to parties (when appearing pro se) as follows:

Ian Parks Weschler

Margaret Nicole Fox

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter _____

Clerk of Court

Jeanette W. McBride

STATE OF SOUTH CAROLINA)
)
 COUNTY OF RICHLAND)
)
 Alan Wilson, Securities Commissioner of)
 South Carolina,)
)
 Plaintiff,)
)
 v.)
)
 Integrated Capital Strategies, LLC,)
)
 Defendant.)

IN THE COURT OF COMMON PLEAS
 FOR THE FIFTH JUDICIAL CIRCUIT

CIVIL ACTION NO. 2014-CP-40-3389

**ORDER DENYING DEFENDANT'S
 MOTION FOR RECONSIDERATION**

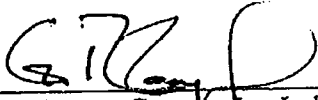
FILED
 2014 AUG 28 AM 11:55
 CLERK OF COURT
 FIFTH JUDICIAL CIRCUIT
 COLUMBIA, SOUTH CAROLINA

This matter comes before the Court by way of Defendant Integrated Capital Strategies, LLC's Motion to Reconsider pursuant to Rule 59(e), SCRPC. Specifically, Defendant asks this Court to reconsider its Order Requiring Compliance with a Subpoena filed July 1, 2014.

After careful consideration of the record in this case and the submissions of the parties, this Court is unable to discover any material fact or principle of law that either has been overlooked or disregarded and further finds no error of law or facts not appropriately considered. Accordingly, this Court hereby **DENIES** Defendant's Motion under Rule 59(e), SCRPC to Reconsider this Court's Order filed July 1, 2014. Pursuant to Rule 59(f), the Court is of the opinion that oral argument is not necessary.

IT IS SO ORDERED.

Columbia, South Carolina
 July 31, 2014


 G. Thomas Cooper, Jr., Judge
 Fifth Judicial Circuit