



**COMMISSIONER OF SECURITIES  
STATE OF GEORGIA**

IN THE MATTER OF: \*  
\*  
TIMOTHY NATHANIEL DARNELL, \*  
\*  
RESPONDENT. \* **ENSC-261288**  
\*

**EMERGENCY ORDER TO CEASE AND DESIST ALL VIOLATIONS OF  
GEORGIA SECURITIES ACT**

This matter comes before the Commissioner of Securities for the State of Georgia (“Commissioner”) pursuant to the authority granted in O.C.G.A. § 10-5-70, *et seq.* of the Georgia Uniform Securities Act of 2008, as amended (“Act”). Whereas, the Commissioner undertook an investigation into the acts and practices of Respondent Timothy Nathaniel Darnell.

Based on the investigation, the Commissioner has found grounds to conclude that the Respondent may have engaged in acts or practices constituting violations of the Act. The Commissioner has determined it is in the public interest to issue this Emergency Order.

Based upon information obtained during the investigation, the Commissioner finds as follows:

**I. FINDINGS OF FACT**

1. Timothy Nathaniel Darnell (“Darnell” or “Respondent”) is a Georgia resident residing in Powder Springs, in Cobb County, Georgia.
2. Darnell holds a Juris Doctorate with Oak Brook College of Law, an unaccredited correspondence law school out of California.
3. Darnell holds an active Insurance Resident Agent license (License No. 2906263), effective July 5, 2013, with the Georgia Office of Insurance and Safety Fire Commissioner.

4. On July 18, 2013, Respondent Darnell held a license as an insurance agent at Bankers Life & Casualty Company (“Bankers Life Insurance”). This license was terminated on September 15, 2025. As of February 24, 2026, Darnell still holds active insurance agent licenses with approximately twenty-two (22) insurance companies.

5. Respondent Darnell was a registered Investment Adviser Representative (CRD #2666469) with Bankers Life Advisory Services, Inc. (“Bankers Life Advisory”) (CRD #281285) between February 28, 2018 and September 12, 2025. His registration was terminated by Bankers Life Advisory due, according to the Form U5 filed by Bankers Life Advisory, to, “1. Failure to disclose outside business activities (OBA), 2. Participation in undisclosed and unapproved private securities transactions (PST), and 3. Use of off-channel communications with clients, and not following firm policies and procedures related to such.”

6. Respondent Darnell was a registered Broker Dealer Agent (CRD #2666469) with Bankers Life Securities, Inc. (“Bankers Life Securities”) (CRD #173962) between June 21, 2016, and September 12, 2025. His registration was terminated by Bankers Life Securities due, according to the Form U5 filed by Bankers Life Securities, to, “1. Failure to disclose outside business activities (OBA), 2. Participation in undisclosed and unapproved private securities transactions (PST), and 3. Use of off-channel communications with clients, and not following firm policies and procedures related to such.” Bankers Life Advisory Services, Inc., and Bankers Life Securities, Inc. are collectively defined as (“Bankers Life”).

7. Darnell joined leadership of the Georgia Republican Assembly (“GRA”) in 2019 as the 3<sup>rd</sup> Vice President and currently serves as the President. From 2021 to 2023, he served on GRA Leadership as the National Federation of Republican Assemblies (“NFRA”) Director for Georgia. He now serves as the GRA President and the Immediate Past Chairman of the Cobb County Republican Assembly chapter.

8. On February 12, 2021, Respondent Darnell formed Perservero Properties, LLC (“Perservero Properties”), a domestic limited liability company in the State of Georgia. Its principal office address is 5200 Dallas Hwy, Suite 200-198, Powder Springs, GA 30127.

9. Darnell was close friends with the Frost family. He first met the Frost family in the late 2000s and his close relationship with Edwin Brant Frost V (“Frost V”) formed throughout 2012.

10. Frost V was Darnell's main point of contact at First Liberty, and Darnell frequently communicated with him about their clients' investments.

**A. COMMISSIONER OF SECURITIES INVESTIGATION**

11. On July 1, 2025, the Commissioner became aware of First Liberty Building and Loan ("First Liberty") after its collapse was publicized.

12. On July 1, 2025, the Commissioner began an investigation into First Liberty.

13. Over one hundred and fifty (150) people submitted complaints to the Commissioner regarding First Liberty.

14. The Commissioner became aware of Darnell through conversations with complainants.

15. On July 22, 2025, the Commissioner assigned a for-cause examination of Bankers Life to the Examinations team.

16. On July 25, 2025, the Commissioner sent a Notice of Examination and an Examination Information Request list to Bankers Life regarding Darnell and his branch office location.

17. On August 11, 2025, the Commissioner issued Subpoena No. ENSC-261270-01 to Darnell in the matter of First Liberty.

18. On October 22, 2025, the Commissioner issued Subpoena No. ENSC-261270-08 to Darnell for testimony under oath in the matter of First Liberty.

19. On October 29, 2024, the Commissioner sent a follow up examination request to Bankers Life for additional documents regarding Darnell.

20. On December 17, 2025, the Commissioner took Darnell's testimony under oath.

21. On January 14, 2026, the Commissioner issued four (4) subpoenas to obtain Darnell's financial records.

**B. DARNELL RECOMMENDED THAT HIS BANKERS LIFE CLIENTS, MANY OF THEM SENIORS, INVEST IN THE UNREGISTERED FIRST LIBERTY SECURITIES AND RECEIVED COMMISSIONS OUTSIDE OF BANKERS LIFE SECURITIES AND ADVISORY SERVICES.**

22. Darnell placed forty-five (45) individuals into First Liberty Building and Loan investments. Out of those forty-five (45) individuals, twenty-nine (29) were his clients at Bankers Life, two (2) were relatives or spouses of his clients at Bankers Life, and nine (9) were

his clients at Bankers Life Insurance. That is a total of forty (40) individuals who were directed by Darnell to move their investments from Bankers Life securities or insurance to First Liberty investments. Approximately sixty percent (60%)<sup>1</sup> of the individuals Darnell placed in First Liberty investments were sixty years of age or older (60).

23. As evidenced in Table 1 below, Darnell sold seventy-six (76) investments into First Liberty between December 2020 and June 2025. Approximately seventy-one percent (71%)<sup>2</sup> of the First Liberty investments sold by Darnell were sold to people over the age of sixty (60).

24. Darnell did not provide full disclosure on this Outside Business Activity (“OBA”) to Bankers Life. Respondent Darnell received commissions from First Liberty Building and Loan. He received one percent (1%) when the client invested in First Liberty and one percent (1%) per year the client remained in First Liberty investments. These commissions totaled nearly two hundred and fifty thousand dollars (\$250,000.00) (as evidenced in Table 1 below). Darnell did not provide full disclosure of his compensation to his clients, investors, or Bankers Life.

**TABLE 1: DARNELL’S FIRST LIBERTY INVESTMENT IMPACT SUMMARY**

<u>Year</u>	<u>No. People Placed in First Liberty Investments</u> <sup>3</sup>	<u>No. of First Liberty Investments Sold</u>	<u>Amount of Principal Invested</u>	<u>Commissions Darnell Received</u>
2020 <sup>4</sup>	2	2	\$200,000.00	N/A
2021	12	13	\$1,350,000.00	\$18,691.77
2022	18	23	\$1,800,000.00	\$40,814.19
2023	15	18	\$1,700,000.00	\$63,449.45
2024	14	16	\$1,250,000.00	\$84,741.16
2025 <sup>5</sup>	4	4	\$375,000.00	\$41,413.37
<i>Total</i> <sup>6</sup>	45	76	\$6,675,000.00	\$249,109.94

**C. DARNELL KNOWINGLY MADE FALSE AND MISLEADING STATEMENTS TO BANKERS LIFE**

<sup>1</sup> Twenty-seven (27) of the forty-five (45) individuals sold First Liberty investments by Darnell were over sixty (60).

<sup>2</sup> Fifty-four (54) of the seventy-six (76) First Liberty investments sold by Darnell were sold to individuals over sixty (60).

<sup>3</sup> This column will include people who invested in previous years. For example, if an investor purchased a First Liberty investment in 2021 and 2022, they will be accounted for in each year’s row.

<sup>4</sup> Year 2020 covers December 1, 2020 through December 31, 2020.

<sup>5</sup> Year 2025 covers January 1, 2025 through June 30, 2025.

<sup>6</sup> Total number of individuals *only* includes unique investors, which is why the total does not equal the sum of the rows above.

25. Bankers Life Securities became registered as a Broker Dealer in the State of Georgia on October 9, 2015. Bankers Life Advisory became registered as an Investment Advisor with the Securities and Exchange Commission on November 18, 2015. Bankers Life Advisory Notice Filed with the State of Georgia on November 18, 2015.

26. Respondent Darnell was a registered Broker Dealer Agent (CRD #2666469) with Bankers Life Securities (CRD #173962) between June 21, 2016, and September 12, 2025.

27. Respondent Darnell was a registered Investment Adviser Representative (CRD #2666469) with Bankers Life Advisory (CRD #281285) between February 28, 2018 and September 12, 2025.

28. As a registered representative of Bankers Life, Darnell participated in compliance training. According to Bankers Life, Darnell attended these compliance meetings on or about October 8, 2020, November 17, 2021, November 26, 2022, September 25, 2023, and September 18, 2024. At the Bankers Life Annual Compliance Meetings and at the Bankers Life Annual Compliance Meetings, he was informed by Bankers Life that he was prohibited from engaging in unapproved outside business activities and placing Bankers Life customers into unregistered securities, i.e., First Liberty.

29. Darnell passed or received credits for the Securities Industry Essentials Exam (SIE), Investment Company and Variable Contracts Product Representative Exam (S6), Uniform Securities Agent State Law Exam (S63), and the Uniform Investment Adviser Law Exam (S65) in order to obtain his registrations to sell securities and offer investment advice. In connection with those examinations, Mr. Darnell received training and education through Bankers Life, including, but not limited to, subjects such as:

- a. Anti-Money Laundering;
- b. Conflicts of Interest;
- c. IRA Rollover Recommendations;
- d. Regulation Best Interest (“RegBI”); and
- e. Sales Practices for Senior Clients

### **C.1. Darnell Made Material Misrepresentations to Bankers Life Regarding His Outside Business Activities**

30. Darnell recognized his obligation to disclose to Bankers Life all outside business activities that were not conducted on behalf of Bankers Life. For example, in the Bankers Life 2020 Annual Compliance Questionnaire, the following was asked: “Are you currently engaged in any outside business or activities either as a proprietor, partner, officer director, of 5% or greater shareholder, trustee, employee, agent or otherwise (include charitable organizations if you are involved in a managerial capacity or control investment policy that you have not previously reported to the Firm)?” On January 11, 2021, Darnell completed the questionnaire and Darnell’s response to this item was “No.”

31. During this time period, Darnell was directing his Bankers Life clients to First Liberty, facilitating those securities transactions and receiving commissions from First Liberty. This activity was outside of Bankers Life and a violation of their policies and procedures and was an unapproved activity.

32. On March 12, 2021, Respondent Darnell instructed Edwin Brant Frost V that “any further payments / commissions for me please make payable to ‘Perservero Properties LLC’.” Darnell’s first commissions from First Liberty Building and Loan were received via check the same day, March 12, 2021.

33. Respondent Darnell did not disclose Perservero Properties as an outside business activity to Bankers Life until July 25, 2021.

34. On his OBA form submitted to Bankers Life on July 25, 2021, Darnell stated he was an Officer of Perservero Properties and described the organization as a house flipping business. Darnell failed to disclose that his commission payments from First Liberty were being deposited to his Perservero Properties bank account. Instead, Darnell made misrepresentations of the business purpose as:

“This is a small business that my wife and I are looking to own and be involved in to primarily purchase houses, renovate them, and then either rent them out or flip them. It may involve third-parties providing some capital toward these ventures and will definitely involve hiring contractors to conduct and supervise most of the work. It may also involve providing capital and other resources to similar ventures by others. Since most of the work would be handled by my spouse or contractors, my involvement would be at a minimum, dealing with mostly the accounting and shouldn’t take more than one day a month of my time.”

35. Darnell made misrepresentations that the focus of Perservero Properties' business was, "properties, especially real estate with houses that can be renovated and either rented or flipped to earn a profit."

36. Bankers Life approved Darnell's OBA for Perservero Properties on August 23, 2021, with the following exception, "Loan participation agreements are not approved. If this OBA needs additional funding, this will need to be reviewed at that time before this method of funding is pursued." Darnell used his commissions from First Liberty Loan Participation Agreements and First Liberty Promissory Notes to fund the Perservero Properties bank account.

37. Information received as a part of the Commissioner's investigation revealed that the sole property controlled and renovated by Perservero Properties was Darnell's personal residence.

38. Darnell did not disclose on his OBA form to Bankers Life that he had already been receiving commissions from First Liberty into the Perservero account, which was an account that Darnell also was using to pay for personal expenses.

39. Documentation received as part of the Commissioner's investigation revealed that Respondent Darnell's commissions from First Liberty were the primary source of income into Perservero Properties.

40. Between March 12, 2021, and June 30, 2025, Darnell received approximately two hundred forty-nine thousand and one hundred and nine dollars and ninety-four cents (\$249,109.94) of commissions from First Liberty deposited into the Perservero Properties bank account. Darnell did not disclose this income to Bankers Life in a timely manner; it was disclosed in August 2025.

41. Between January 1, 2022, and June 30, 2025, Darnell wrote himself checks out of the Perservero Properties account with the memo, "work." These checks totaled approximately one hundred and fifty-one thousand two hundred and four dollars and sixty-five cents (\$151,204.65.) On his OBA form to Bankers Life Advisory, Darnell misrepresented his annual income from Perservero Properties, making representations that it would be one thousand dollars (\$1,000.00). At the time of that disclosure, Darnell had already received over five thousand and five hundred dollars (\$5,500.00) of deposits from First Liberty into the Perservero account. He made material omissions about his outside business activity compensation.

42. Perservero Properties did not flip any homes, as was disclosed on his OBA form to Bankers Life. The sole property Perservero Properties renovated or had any control over was Darnell's personal residence.

43. Despite Darnell's statements to Bankers Life that Perservero Properties was a home renovation company, the Perservero Properties bank account was used primarily for personal expenses.

44. In 2021 and 2022, money from the Perservero Properties bank account was used to repay a personal loan Darnell received from a family member for a renovation on his personal residence.

45. Documentation received as part of the Commissioner's investigation evidenced that Perservero Properties expenses included purchases at liquor stores, clothing stores, grocery stores, restaurants, and gas stations.

46. The Perservero Properties expenses show a total of over seventy thousand dollars (\$70,000.00) of payments on Darnell's personal Chase credit card. Expenses on this credit card were not related to any of Perservero Properties stated purposes. Instead, the credit card was used for Darnell's personal expenses, political contributions, payments to the National Insurance Producer Registry, and Georgia Republican Assembly related expenses.

47. The Perservero Properties expenses show Darnell made seventeen thousand and four hundred dollars (\$17,400.00) of car payments to Bank of America on his 2019 Lexus RX Auto Loan.

48. Darnell was terminated by Bankers due to misrepresentations and omissions regarding his outside business activities on or about September 12, 2025.

**C.2. Darnell Knew That He was Prohibited from Selling Private Securities Transactions like the First Liberty Investments.**

49. Darnell recognized that private securities transactions, i.e., First Liberty Investments, were prohibited by Bankers Life. Bankers Life's compliance questionnaire asks its investment adviser representatives to make the following attestation: "I confirm my understanding that [Bankers Life] does not allow participation in Private Securities Transactions, or any unapproved securities related products, without first requesting in writing and receiving written permission to do so from the firm." In 2021, 2022, and 2023/2024, Darnell responded, "Yes," to confirm his understanding.

50. Darnell made material omissions regarding his sale of the First Liberty investments to Bankers Life. Respondent Darnell's sale of First Liberty Loan Participation Programs and First Liberty Notes constituted private securities transactions. The commissions Darnell received for these transactions went into his Perservero Properties accounts. First Liberty investments, including but not limited to the loan participation programs and the notes, were not approved Bankers Life investments. Bankers Life Advisory also terminated Darnell's registration on or about September 12, 2025, for engaging in unapproved private securities transactions.

### **C.3. Darnell Knew That Off Channel Communications Were Prohibited by Bankers Life**

51. Bankers Life 2021 and 2022 compliance questionnaires ask the agent/rep to make the following attestation: "I confirm my understanding of BLS policy to only communicate regarding securities business via electronic communication platforms that are monitored and archived." Darnell responded "Yes," to confirm his understanding.

52. Bankers Life 2023/2024 compliance questionnaire asks the agent/rep to make the following attestation: "I confirm my understanding that it is BLS policy to only communicate regarding securities business via sponsored and approved channels of communication including sponsored Bankers email address, Teams and MyRepChat." Darnell responded "Yes," to confirm his understanding.

53. Throughout 2021, 2022, and 2023/2024 Darnell was using communication channels not monitored and archived by Bankers Life to contact investors regarding First Liberty. This was in direct conflict with the attestations he made regarding communications compliance.

54. Darnell frequently texted investors he placed in First Liberty on his personal device and from his personal email address. In addition, as explained in greater detail below, Darnell created and disseminated summaries for his clients that contained material misrepresentations and omissions. These channels were not monitored nor archived by Bankers Life.

55. Darnell was terminated by Bankers Life on or about September 12, 2025, for unapproved off-channel communications.

**D. DARNELL KNEW OF HIS FIDUCIARY OBLIGATIONS TO HIS CLIENTS AND  
WILLFULLY VIOLATED THE GEORGIA SECURITIES ACT**

56. Darnell placed forty-five (45) individuals into First Liberty Building and Loan investments. Out of those forty-five (45) individuals, twenty-nine (29) were his clients at Bankers Life, two (2) were relatives or spouses of his clients at Bankers Life, and nine (9) were his clients at Bankers Life Insurance. That is a total of forty (40) individuals who were directed by Darnell to move their investments from Bankers Life securities or insurance to First Liberty investments. Cumulatively, these investors invested over six and a half million dollars (\$6,500,000.00) of principle into First Liberty investments upon Darnell's investment recommendation.

57. Approximately sixty percent (60%) of the individuals Darnell placed in First Liberty investments were sixty years of age or older (60).

58. Darnell breached his fiduciary duty to his clients when placing them in First Liberty by not adhering to their investment objectives and risk tolerance. He placed investors into First Liberty investments regardless of their investment objectives and risk tolerance, i.e. one size fits all recommendations.

59. The majority of the individuals Darnell placed in First Liberty investments did not meet the federal definition of accredited investor. Darnell often placed over fifty percent (50%) of a client's net worth into First Liberty investments, despite the client's stated investment objective and risk tolerance.

**D.1. Darnell Used His Religious Beliefs and Political Activities to Cultivate Trust With  
Darnell Investor #1 And Made Material Misrepresentations/Omissions to Induce Him To  
Purchase First Liberty Investments**

60. Investor #1 provided an affidavit to the Commissioner. It is quoted, in part, below.

61. Investor #1 is a seventy-three (73) year old retired engineer.

62. Investor #1 became active in the GRA in 2023. Up until 2023, Investor #1 "used a financial adviser with a large brokerage firm with a good reputation" to manage his investments.

63. Investor #1 met Darnell in 2023 through his role in the GRA. During this same period, Darnell told Investor #1 he was a financial adviser with Bankers Life Securities and

offered to be Investor #1's trusted financial professional. Investor # 1 stated in his affidavit, "[Darnell] used his political and religious views to gain our trust."

64. Because Investor #1 "Already trusted Mr. Darnell and Bankers Life Securities was a large brokerage firm," he hired Darnell to manage his retirement savings. Investor #1 opened a brokerage account with Bankers Life on August 31, 2023, at the direction of Darnell.

65. On his Bankers Life Securities New Account Application Investor #1 marked his investment objective as "Conservative," his risk tolerance as "low," and his investment strategies as, "Retirement, Diversification, and Tax Advantaged Investing." Darnell signed this new account application as Investor #1's "Registered Representative."

66. In or around the Fall of 2023, Investor #1 rolled over approximately one hundred and fifty thousand dollars (\$150,000.00) from his previous IRA into his new Bankers Life Securities account.

67. Upon recommendation by Darnell, Investor #1 and his wife opened an IRA account at Advanta IRA on September 12, 2023. Darnell omitted material information that led them to believe Advanta was one of the custodians used by Bankers Life Securities. Advanta IRA was not a custodian for Bankers Life Securities.

68. At or around the same time Investor #1 and his wife opened their Bankers Life Securities account, Darnell recommended that Investor #1 and his wife invest their money into a First Liberty investment. Darnell stated to them that First Liberty was owned by Edwin Brant Frost (IV), who they recognized through their political involvement in the Georgia Republican Party. Investor 1 stated: "The fact that First Liberty and its owner claimed to share our political and religious values also made Darnell's recommendation to invest in the First Liberty investment safe."

69. Darnell made representations to them that the First Liberty investment "guaranteed" fifteen percent (15%) returns and that the promissory note was collateralized with the borrower's real estate. Darnell told them the "investment was appropriate" and "safe."

70. Darnell told Investor #1 and his wife that, "First Liberty never had a borrower default on any of their loans."

71. On or about October 5, 2023, Investor #1 invested one hundred fifty thousand dollars (\$150,000.00) in a First Liberty Loan Participation Agreement with an APR of fifteen percent (15%) ("October 5 Loan Participation Agreement").

72. On October 20, 2023, Darnell texted Frost V, “The \$150,000 funds for the [Investor #1] Advanta IRA account finally were vested in First Liberty Capital loan agreement today. Please send the \$1,500 commission to Perservero Properties LLC when you get a chance.”

73. On October 26, 2023, a Central Supervisory Principal from Bankers Life Securities emailed Darnell about Investor #1’s transactions: “The purpose of this inquiry is to ensure that elder abuse is not an issue with these withdrawals. The following referenced account(s) had a nonsystematic distribution take place. What did the client state as their reason for this request, if any? Did you verbally speak with the client? Wire for \$151,000.00 on 10-18-23. Do you have any concerns over this transaction?”

74. Darnell responded the same day stating, in part, “I did verbally speak with [Investor #1] about the decision. The reasons he gave me for wanting to transfer the funds was that he found out about a new opportunity that he had not known about previously, and that it was better than anything else anyone had discussed with him. He seemed to be fully aware and in control of the situation. So, no, I do not have any concerns about elder abuse in his situation.”

75. Darnell did not disclose to Bankers Life Securities that he recommended the transaction in question. Darnell did not disclose to Bankers Life Securities that the “new opportunity” was in First Liberty. Darnell did not disclose to Bankers Life Securities that he received a commission on the transaction in question.

76. In November 2023, Darnell provided Investor #1 and his wife with a document titled November 2023 Review summary which represented to be the values of their investments as of November 13, 2023. On this summary, Darnell described the First Liberty investment as “Secure growth.” He goes on to state in the analysis section that by moving their portfolio into First Liberty investments, “88% of their shared portfolio is no longer subject to any down-side risk in the market, most of which receives a guaranteed fifteen percent (15%) return.”

77. The review summary combined Investor #1’s First Liberty investments with his Bankers Life accounts, which “reaffirmed to [Investor #1] that Bankers Life knew Mr. Darnell sold [them] investments with First Liberty.”

78. On November 14, 2023, Darnell texted Jayme Sickert (“Sickert”), First Liberty’s Director of Compliance, “[Investor #1 and his wife] are taking out an additional \$150k in a cash account – no Advanta on this one.”

79. Darnell used the review summary to induce Investor #1 and his wife to invest an additional one hundred and fifty thousand dollars (\$150,000.00) into First Liberty. On November 22, 2023, upon recommendation from Darnell, Investor #1 and his wife invested One Hundred Fifty Thousand Dollars (\$150,000.00) into a First Liberty Promissory Note (“November 22 Promissory Note”) with an APR of Fifteen percent (15%).

80. On November 30, 2023, Darnell texted Frost V, “Before you fly out to California tomorrow, don’t forget to email me the checks for my clients who like to deposit to their securities accounts, adding [Investor #1]’s check for his recent \$150k additional cash account with First Liberty to the list of four please.”

81. On or about July 31, 2024, upon recommendation from Darnell, Investor #1 and his wife invested another fifty thousand dollars (\$50,000.00) into a First Liberty Loan Participation Program (“July 31 Loan Participation Agreement”) with an APR of fifteen percent (15%). Darnell told Investor #1 that the “investment was safe, guaranteed, and appropriate for [their] needs.”

82. Darnell did not disclose to Investor #1 and his wife that he received commissions and incentives on their investment into the October 5 Loan Participation Agreement, the November 22 Promissory Note, and the July 31 Loan Participation Agreement.

83. Investor #1 concludes his affidavit by stating, “In total, we invested \$350,000.00 of our hard-earned retirement savings into First Liberty at the direction of Mr. Darnell. To date, we have not received any of our principal back and we fear it is a total loss.”

## **D.2. Darnell Used His Religious Beliefs to Cultivate Trust With Darnell Investor #2 And Induce Her to Purchase First Liberty Investments**

84. A friend of Investor #2 introduced her to Darnell. Her friend had insurance policies with Bankers Life & Casualty and her friend’s late fiancé was invested in First Liberty investments. Through Darnell, Investor #2 and her son obtained life insurance policies with Bankers Life & Casualty.

85. Investor #2 is seventy-three (73) years old.

86. On or about December 4, 2023, Investor #2 invested fifty thousand dollars (\$50,000.00) into a First Liberty Note (“December 4 Liberty Note”) with a nine percent (9%) APR. This capital was a substantial amount of Investor #2’s retirement funds.

87. Investor #2 paid via check, which Darnell hand delivered to First Liberty.

88. Investor #2 had two (2) good friends also invested in First Liberty. One had an account through Advanta IRA, and Investor #2 was under the impression her funds were in Advanta as well. After the collapse of First Liberty, Darnell disclosed to Investor #2 that Investor 2's funds were not in Advanta IRA.

89. On Wednesday, July 1, 2025, Investor #2 texted Darnell, in part, "Nathaniel, this is my life savings, and you told us this was insured."

90. Darnell responded via text, in part, "The contracts [First Liberty] signed specified that the loans were secured by collateral in the businesses that were loaned to. I am assuming that they will exercise legal outlets to enforce those provisions so that the hard assets are sold off, and the customers are each paid back their principal. I am not sure how long that process will take. I will definitely let you know anything that I receive."

91. On Wednesday, July 9, 2025, Investor #2 texted Darnell, in part, "I myself and others put faith and trust in you as a Godly man. And I am praying to God, not just morning and night, I pray all day long so that he will take control of this so that we can get our money back. I myself don't know what I'm going to do."

92. Darnell responded, in part, "No ma'am, I'm not abandoning you. As I receive any answers, I will be sure to share them with you."

93. Investor #2 and Darnell communicated over the next two (2) months on the status of the Receivership, and she asked him to confirm the legitimacy of the Commissioner's investigation.

94. On September 30, after Darnell's termination from Bankers Life, Investor #2 sent him a text asking, in part, "How do I know that bankers life insurance is going to stay in business and that I'm not gonna lose everything I've been paying on my son's policy." Darnell responded by providing her the name of the new insurance agent at Bankers Life and Casualty who, he stated, could "help you with the insurance payments moving forward."

95. Investor #2 and her two (2) friends invested fifty thousand dollars (\$50,000.00) each into First Liberty Notes upon recommendation from Darnell.

96. To date, Investor #2 and her two (2) friends have not received their principal back.

### **D.3. Darnell Used His Religious Beliefs and Political Activities to Cultivate Trust With Darnell Investor #3 and Induce Him to Purchase First Liberty Investments**

97. Investor #3 provided an affidavit to the Commissioner. It is quoted, in part, below.

98. Investor #3 and his wife met Darnell through their involvement with the GRA.

99. In or around August 2023, Darnell travelled to Investor #3's home and represented to Investor #3 and his wife "that [Darnell] was [a] financial adviser with [Bankers Life] and he offered to be [their] trusted financial professional." Darnell advised Investor #3 and his wife to invest into First Liberty, rather than use their funds toward paying off a financial obligation they recently incurred.

100. To secure Investor #3 and his wife's investment, Darnell made several misrepresentations to them. For example, Darnell stated the investment was "guaranteed", "appropriate", "safe", and "that First Liberty had never had a borrower default on any of their loans."

101. On or around August 25, 2023, Investor #3 signed a loan participation agreement with an APR of fifteen percent (15%) ("August 25 Loan Participation Agreement"). The August 25 Loan Participation Agreement represented that the loan was secured by liens, evidenced as a security agreement in favor of First Liberty Capital Partners, LLC, against real property in Florida, a guarantee agreement of the borrower's controlling principal, and a six (6) month interest reserve for loan against the borrower.

102. On or around September 5, 2023, Investor #3 and his wife issued a check to First Liberty Capital, pursuant to the loan participation opportunity, for one hundred thousand dollars (\$100,000.00).

103. On September 5, 2023, Darnell texted Frost V, "Just picked up a check for \$100k for a cash account for new client [Investor #2]. I'll get it delivered to y'all within the next few days."

104. Frost V responded, "Great."

105. Around late 2023, Darnell recommended to Investor #3 and his wife to that they "roll over [his] 401(k) which was valued at over \$1,000,000" and invest more funds into First Liberty. To encourage the investment, Darnell misrepresented to Investor #1 and his wife "that the investment was safe, guaranteed and appropriate for [their] needs". As a result of Darnell's

representations, Investor #3 and his wife rolled over Five Hundred Fifty Thousand Dollars (\$550,000.00) into their Bankers Life IRA account.

106. Darnell later informed Investor #3 that he needed to open an IRA account with Advanta IRA because the investment was to be in the form of a promissory note. Due to Darnell's misrepresentations, Investor #3 believed that Advanta was a custodian of Bankers Life.

107. On or around January 8, 2024, Investor #3 invested the five hundred thousand dollars (\$500,000.00) roll over into a First Liberty promissory note with an APR of fifteen percent (15%) ("January 8 Promissory Note"). On or about January 17, 2024, the funds were transferred to an Advanta account set up for Investor #3.

108. On January 23, 2024, Darnell texted Frost V, "Just got word back from. . . Advanta IRA that [Investor #3]'s \$500K will be hitting your coffers today." The next day he asked Frost V via text, "Are you able to send Perservero Properties the \$5K commission on that sale today?"

109. In and or March 2024, Darnell provided Investor #3 and his wife with a document detailing the value of their First Liberty investments, which included a comparison of the value of his First Liberty investment with the value of his employer plan ("March 2024 Review Summary"). The March 2024 Review Summary stated that Investor #3 was taking a financial loss under the employer plan, while being projected to make a financial gain through the First Liberty investments. The March 2024 Review Summary described the value of the January 8 Promissory Note as "guaranteed growth."

110. Pursuant to the March 2024 Review Summary, Darnell solicited Investor #3 to use the remaining balance of his 401(k) to invest into another First Liberty investment. Investor #3 was unable to enact the transaction because "[his] employer's restrictions would not allow [him] to withdraw any more funds from [his] 401(k), because not all of [his] 401(k) was fully vested yet."

111. In and around January 2025, Darnell provided Investor #3 and his wife with another document detailing the value of the investor's First Liberty investments as of January 24, 2025 ("January 2025 Review Summary"). The January 2025 Review Summary described the value of the January 8 Promissory Note as "guaranteed growth". The document also stated, "[t]he portfolio has been performing as planned."

112. On or around January 23, 2025, Investor #3 invested an additional Fifty Thousand Dollars (\$50,000.00) into a First Liberty promissory note with an APR of twelve percent (12%) (“January 23 Promissory Note”) upon the advice and recommendation of Darnell.

113. Darnell received commission payments and incentives based on Investor #3’s transactions, however Darnell did not disclose the compensation and incentives to Investor #3 and his wife.

114. While Investor #3 received regular monthly interest payments prior to the closure of First Liberty, Investor #3 has yet to receive his principal payment of six hundred fifty thousand dollars (\$650,000.00) from First Liberty.

115. Upon review of information received during the investigation, Darnell made unsuitable recommendations that Investor #3 invest in the August 25 Loan Participation Agreement, the January 8 Promissory Note, and the January 23 Promissory Note. Darnell provided Investor #3 with false and misleading information in the March 2024 Review Summary and the January 2025 Review Summary. Moreover, Darnell failed to provide Investor #3 with sufficient material information relating to the risks associated with the August 25 Loan Participation Agreement.

#### **D.4. Darnell Used His Religious Beliefs to Cultivate Trust with Darnell Investor #4 And Induce Her to Purchase First Liberty Investments**

116. Darnell encouraged and facilitated Investor #4’s investment into First Liberty. Investor #4 provided an affidavit to the Commissioner. It is quoted in part below.

117. Investor #4 is a sixty-five (65) year old retired nurse. Her husband is a sixty-four (64) year old retired fire fighter.

118. In or around August of 2022, Investor #4 and her husband were referred to Darnell as a financial adviser through a friend who was already working with him.

119. Investor #4 stated, in part, that Darnell, “described himself as a trained attorney, family man and devout Christian. Based on these representations, [Investor #4 and her husband] felt comfortable that Mr. Darnell was honest and well qualified.”

120. Investor #4 described herself and her husband as, “unsophisticated and inexperienced investors who rely on financial advisers to recommend suitable investments for us.”

121. Investor # 4 stated their net worth was approximately four hundred thousand dollars (\$400,000.00) and they had only previously invested through employer sponsored plans. In her affidavit, she states, “We told Darnell, in no uncertain terms, that we were looking for safe investments that would allow us to live a comfortable retirement.”

122. Investor #4 continues to state in her affidavit, “I was still working as a nurse at that time and Mr. Darnell told me that I could retire comfortable and that the returns on my investments would more than cover my loss off salary as a nurse. He recommended that we roll over our retirement savings with our employer sponsored plans into retirement accounts at Bankers Life and invest the money in a combination of investments which included the First Liberty investments.”

123. Darnell told Investor #4 that First Liberty was a “secure” option for generating retirement income. She stated, “Based on the presentation made by Mr. Darnell, we understood that First Liberty had been vetted, researched and approved by Bankers Life, which gave us confidence that it was a sound investment.”

124. Upon Darnell’s investment recommendations, Investor #4 and her husband invested a total of three hundred and fifty thousand dollars (\$350,000.00) with First Liberty. She invested approximately two hundred thousand dollars (\$200,000.00) and her husband invested approximately one hundred and fifty thousand dollars (\$150,000.00) with First Liberty.

125. Investor #4 stated, “[Darnell] personally dialed the phone numbers for our 457 and 403(B) plan administrators to facilitate the liquidation of our retirement accounts and rollover to Bankers Life. Mr. Darnell then directed Bankers Life to transfer our retirement savings to fund our investments with First Liberty.”

126. On August 26, 2022, Darnell texted Frost V, “By the way, [Investor #4] actually sent over \$200,000 available in her IRA to put with First Liberty. [Investor #4’s husband] will have \$150,000 available once his funds finish transferring.”

127. Frost V responded via text about an hour later stating, “Great. We will take all you have.”

128. On September 13, 2022, Darnell texted Frost V, in part, “You already paid me on the first half of [Investor #4]’s. Do you think I can get the remaining \$2,500 commission on that house from you?”

129. Frost V responded via text, in part, “Yes. You’re receiving 27K a year in monthly payments now.”

130. Investor #4 stated, “Between late 2022 and 2025, Mr. Darnell repeatedly told us that First Liberty was growing, and the First Liberty investments were performing extremely well.”

131. In September of 2022, Darnell provided Investor #4 and her husband a review summary which purported to show their investments as of September 15, 2022 (“September 2022 Review Summary”) and it stated their First Liberty investments will generate fifteen percent (15%) annually.

132. On August 10, 2023, Darnell texted Frost V inquiring about an interest payment First Liberty did not process properly for Investor #4’s husband. Darnell texted, in part, “Regardless of what happened. [Investor #4’s husband] hasn’t received his payment, and that’s all he cares about. I just have to make sure he doesn’t lose the faith . . . The bad thing about the timing of this is that he had just applied this week for a mortgage and used the consistency of his interest payments to show his ability to pay the mortgage loan. Lol.”

133. In March of 2025, Darnell sent Investor #4 another review summary which purported to show the value of their investments as of March 10, 2025 (“March 2025 Review Summary”). While presenting the March 2025 Review Summary, Darnell stated their First Liberty investments had outperformed the S&P 500 given that the S&P had lost three point three percent (3.3%) Year to Date, but that the First Liberty investments principal was protected and generated fifteen percent (15%) returns.

134. Investor #4 concludes her affidavit by stating, “In total, we invested \$350,000 of our hard-earned retirement savings into First Liberty at the direction of Darnell. To date, we have not received any if our principal back and we fear it is a total loss.”

## **II. CONCLUSIONS OF LAW**

135. The foregoing paragraphs are incorporated by reference as though fully set forth herein.

136. The Commissioner has jurisdiction over this matter pursuant to the Act. *See* O.C.G.A. §§ 10-5-70 and 10-5-71.

137. Pursuant to O.C.G.A. § 10-5-73(a)(1) of the Act, if the Commissioner determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of

business constituting a violation of the Act or Rules, the Commissioner may “[i]ssue an order directing the person to cease and desist from engaging in the act, practice, or course of business, or to take other action necessary or appropriate.”

138. Pursuant to O.C.G.A. §10-5-70, *et seq.*, the Commissioner is authorized to institute this investigation and issue this Emergency Order.

139. Pursuant to Rule 590-4-1-.10 of the Rules of the Georgia Commissioner of Securities (“Rules”), the Commissioner is authorized to issue an emergency order effective on the date of issuance provided that the “Commissioner deems that the public health, safety, or welfare imperatively requires emergency action and incorporates a finding to that effect in the emergency order, in which case the order may be effective immediately pending proceedings.”

140. Pursuant to O.C.G.A. § 10-5-41(c), “If the Commissioner finds that the order is in the public interest and paragraphs (1) through (6) and (8) through (13) of subsection (d) of this Code section authorize the action, an order under this chapter may censure, impose a bar, or impose a civil penalty in an amount not to exceed a maximum of \$50,000.00 for a single violation or \$500,000.00 for several violations on a registrant. . .”

**A. DARNELL ENGAGED IN PROHIBITED CONDUCT WHEN PROVIDING  
INVESTMENT ADVICE**

141. Pursuant to Rule 590-4-4-.19, in part, “A person who is an . . . investment adviser representative . . . is a fiduciary and has a duty to act primarily for the benefit of its clients.” Darnell did not act primarily for the benefit of his clients in his selling of First Liberty investments because he did not ensure the products were suitable for each investor.

142. Pursuant to Rule 590-4-4-.19(1), an investor adviser representative shall not, “[Recommend] to a client to whom investment advisory services are provided the purchase, sale or exchange of any security without reasonable grounds to believe that the recommendation is suitable for the client on the basis of information furnished by the client after reasonable inquiry concerning the client's investment objectives, financial situation and needs, and any other information known by the investment adviser, investment adviser representative or federal covered investment adviser.”

143. Darnell violated Rule 590-4-4-.19(1) when he did not consider his clients’ risk exposure and investment objectives before placing them in First Liberty investments.

144. Further, Darnell violated Rule 590-4-4-.19(1) when he sold the unsuitable First Liberty investments to his clients, including but not limited to Investor #1, Investor #2, and Investor #3.

145. Pursuant to Rule 590-4-4-.19(11), in part, an investment adviser representative shall not,

“[Fail] to disclose to clients in writing before any advice is rendered any material conflict of interest relating to the investment adviser, investment adviser representative or federal covered investment adviser, or any of its employees, or affiliated persons which could reasonably be expected to impair the rendering of unbiased and objective advice including but not limited to compensation arrangements connected with investment advisory services to clients which are in addition to compensation from such clients for such services.”

146. Darnell violated Rule 590-4-4-.19(11) when he failed to disclose he was receiving commissions on his sale of First Liberty investments to his clients, including, but not limited to, Investor #1, Investor #2, Investor #3 and Investor #4.

147. Pursuant to Rule 590-4-4-.19(14), an investment adviser representative shall not, “[Guarantee] a client that a specific result will be achieved with advice rendered.”

148. Darnell violated Rule 590-4-4-.19(14) when he stated Investor #1’s First Liberty investment was “guaranteed” on the November 13 Review Summary.

149. Darnell violated Rule 590-4-4-.19(14) when he told Investor #2 her First Liberty note was “secure.”

150. Darnell violated Rule 590-4-4-.19(14) when he stated Investor #3’s First Liberty investment was “guaranteed growth” on the January 2025 Review Summary.

151. Darnell violated Rule 590-4-4-.19(14) when told Investor #4 her First Liberty investments were a “secure” option for generating retirement income.

152. Pursuant to Rule 590-4-4-.19(16), an investment adviser representative shall not, “[Make], in the solicitation of clients, any untrue statement of a material fact, or [omit] to state a material fact necessary in order to make the statement made, in light of the circumstances under which they are made, not misleading.”

153. Darnell omitted a material fact when he failed to tell his clients the First Liberty investments were not approved by Bankers Life. This omission led his clients to mistakenly believe the investments were vetted and approved by Bankers Life.

154. Pursuant to Rule 590-4-4-.19(20), an investment adviser representative shall not, “[Engage] in any act, practice, or course of business that is fraudulent, deceptive, manipulative or unethical.”

155. Darnell engaged in manipulative conduct when he preyed on senior citizens to invest substantial amounts of their retirement into First Liberty investments that were unapproved by Bankers Life.

**B. DARNELL ENGAGED IN DISHONEST AND UNETHICAL BUSINESS PRACTICES AS AN AGENT**

156. Pursuant to Rule 590-4-5-.16(1), in part, “Every entity, organization, or individual regulated by the Act shall observe high standards of commercial honor and just and equitable principles of trade in the conduct of business.”

157. Pursuant to Rule 590-4-5-.16(2)(b)(2), it is prohibited for Agents to, “[Effect] securities transactions not recorded on the regular books or records of the broker-dealer which the agent represents, unless the transactions are authorized in writing by the broker-dealer prior to execution of the transaction.”

158. Darnell violated Rule 590-4-5-.16(1) when he sold First Liberty investments to his clients without the knowledge of Bankers Life Securities, including, but not limited to, Investor #1, Investor #2, Investor #3, and Investor #4.

159. Pursuant to Rule 590-4-5-.16(2)(b)(3), it is prohibited for Agents to, “[Engage] in an outside business activity away from the broker-dealer without giving prior written notice.”

160. Darnell violated 590-4-5-.16(2)(b)(3), when he created Perservero Properties prior to obtaining permission from Bankers Life Securities.

161. Darnell violated 590-4-5-.16(2)(b)(3) further when he failed to disclose his involvement in the leadership of the GRA, NFRA, and the Cobb County Republican Assembly chapter to Bankers Life Securities.

162. Pursuant to Rule 590-4-5-.16(2)(a)(4), it is prohibited for Agents to, “[Recommend] to a customer the purchase, sale or exchange of securities without reasonable grounds to believe

that the transaction or recommendation is suitable for the customer based on the customer's financial condition, investment objectives, and risk tolerance.”

163. Darnell violated this rule when he recommended First Liberty investments to investors despite their risk exposure and investment objectives.

**C. DARNELL ENGAGED IN DISHONEST OR UNETHICAL PRACTICES IN THE  
SECURITIES BUSINESS IN THE PREVIOUS T**

164. Pursuant to O.C.G.A. § 10-5-41(d)(13), “A person may be disciplined under subsections (a) through (c) of this Code section if the person. . . has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous ten years. . .”

165. Respondent Darnell engaged in dishonest practices in the securities business when he failed to state the true nature of Perservero Properties on his OBA form. He did not disclose the only property the company would be renovating was his personal residence. He did not disclose Perservero Properties’ primary source of income was commissions from First Liberty. He did not disclose the Perservero Properties’ account would solely be used for personal expenses. He misstated his annual income to Bankers Life. He paid himself for “work” relating to Perservero Properties when the only work done was on his personal residence.

166. Respondent Darnell engaged in dishonest practices in the securities business when he confirmed his understanding of the prohibition of Private Securities Transactions while at the same time actively selling First Liberty investments, which constituted Private Securities Transactions.

167. Respondent Darnell engaged in dishonest practices in the securities business when he confirmed his understanding of the prohibition of off-channel communications while at the same time actively using off channel communications to communicate with investors regarding First Liberty.

168. Respondent Darnell engaged in dishonest practices when he listed Investor #1, Investor #3, and Investor #4’s First Liberty investments amongst their other Bankers Life investments, thus bolstering the legitimacy of the First Liberty investments and leading those investors to believe the First Liberty investments were approved by Bankers Life.

169. Respondent Darnell engaged in unethical practices when he convinced retirees to transfer large amounts of their retirement accounts into First Liberty investments.

170. Respondent Darnell engaged in dishonest practices when he failed to disclose to these retirees that he was receiving commissions on the sale of First Liberty investments, and an additional one percent per year the retiree remained in First Liberty investments.

171. Respondent Darnell engaged in unethical practices when he failed to conduct individualized suitability analyses when recommending First Liberty investments.

172. Respondent Darnell engaged in unethical practices when he used his political position at the GRA to gain the trust of Investor #1 and Investor #3.

173. Respondent Darnell engaged in unethical practices when he used religious beliefs to gain the trust of Investor #1, Investor #2, and Investor #3.

**III. ORDER**

**WHEREFORE**, by the authority vested in me as the Commissioner of Securities for the State of Georgia, **IT IS HEREBY ORDERED:**

1. **TIMOTHY NATHANIEL DARNELL** immediately **CEASE AND DESIST** all violations of the Georgia Uniform Securities Act of 2008, as amended.

2. **TIMOTHY NATHANIEL DARNELL** is hereby **BARRED** from agent activity in the State of Georgia pursuant to O.C.G.A. § 10-5-31.

3. **TIMOTHY NATHANIEL DARNELL** is hereby **BARRED** from investment adviser representative activity in the State of Georgia pursuant to O.C.G.A. § 10-5-31.

1. **TIMOTHY NATHANIEL DARNELL**, pay a civil penalty in the amount of Five Hundred Thousand Dollars (\$500,000.00). Said penalty is payable to the Commissioner within thirty (30) days of the finalization of this Emergency Order.

The entry of this Emergency Order is deemed to be in the public interest, and shall not be deemed to constitute findings or conclusions relating to other persons unrelated to the Respondent or the investigation into First Liberty Building & Loan and shall not be deemed to be a waiver or estoppel on the part of the Commissioner from proceeding in individual actions against any person who may have violated the Act or any transactions not specifically referred to herein or known to the Commissioner at the time this Order was issued.

This Emergency Order does not prevent the Commissioner from seeking other remedies that may be available under the Georgia Securities Act.

**SO ORDERED** this 24th day of February 2026

**SECRETARY OF STATE  
COMMISSIONER OF SECURITIES  
BRAD RAFFENSPERGER**

By: */s/ Noula Zaharis*  
Noula Zaharis  
Assistant Commissioner of Securities



COMMISSIONER OF SECURITIES  
STATE OF GEORGIA

IN THE MATTER OF:

\*

\*

TIMOTHY NATHANIEL DARNELL

\*

\*

RESPONDENT.

\*

**ENSC-261288**

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**NOTICE OF OPPORTUNITY FOR HEARING**

**TO:**

**Timothy Nathaniel Darnell**



**CC:**

**Gilfillan Law LLC**  
One Atlantic Center  
1201 West Peachtree Street  
Suite 2300  
Atlanta, GA 30309

Pursuant to O.C.G.A. §10-5-73(b), Respondent is hereby notified that within thirty (30) days after receipt of a request for a hearing in a record from Respondent, this matter will be scheduled for a hearing unless another date and time is otherwise agreed to by the parties. If Respondent does not request a hearing and none is ordered by the Commissioner within thirty (30) days after the date of service of this Order, this Order will become final as to Respondent by operation of law. If a hearing is requested or ordered, the Commissioner, after notice of and opportunity for hearing to Respondent, may modify or vacate this Order, or extend it until final determination.

**1. GROUNDS:** The grounds for the issuance of the Order are that Respondent has

engaged in conduct in violation of O.C.G.A. §§ 10-5-41 and 10-5-73. *et seq.*

**2. REQUEST FOR HEARING:** A request for a hearing may be delivered to the attention of Noula Zaharis, Director, Office of the Secretary of State, Securities and Charities Division, 2 Martin Luther King Jr. Drive SE, Suite 317 West Tower, Atlanta, Georgia 30334 or by electronic mail at [nzaharis@sos.ga.gov](mailto:nzaharis@sos.ga.gov).

**3. PROCEDURE FOR REQUESTING A HEARING:** If Respondent requests a hearing, the request for hearing must be in writing and contain the following information:

- A title which indicates the nature of the proceedings;
- The complete name and address of the person or persons on whose behalf the request is filed;
- The name and address of all other persons known to have a legal interest in the proceedings;
- If the person or persons on whose behalf the request is filed are represented by counsel, the name and address of counsel;
- A clear and concise statement of the facts upon which the contested case arises;
- A prayer setting forth the relief sought; and
- A statement of the grounds upon which the person contends he is entitled to the relief sought.

**4. SCHEDULING OF HEARING:** If requested, a hearing will be scheduled and the Respondent will be notified of the date, time and location of the hearing.

**5. ISSUES TO BE ADDRESSED:** If a hearing is requested, the issues to be addressed are set forth in the attached Order that is incorporated herein by reference and made a part of this Notice of Opportunity for Hearing.

**6. CONTESTED CASES:** This is a contested case proceeding and pursuant to the Rules it shall be conducted as expeditiously as possible, with regard to the rights of the parties, and in a manner to enable the parties to obtain relevant information needed for preparation of the case to the extent that such disclosure is authorized or required by law.

**7. LEGAL AUTHORITY AND JURISDICTION:** This Notice of Opportunity for Hearing is issued pursuant to O.C.G.A. § 10-5-73, Rule 590-4-6-.01, *et seq.*, and O.C.G.A. § 50-13-1, *et seq.* (The Georgia Administrative Procedure Act).

**8. INFORMAL CONFERENCE:** Respondent may request an informal prehearing

conference with the Division Director pursuant to the Commissioner's Rule 590-4-6-.12 adopted under the Act. The receipt of a request for a prehearing conference will toll, until the date scheduled for the prehearing conference, the running of the time for requesting a hearing. Further information regarding an informal conference may be obtained by contacting Noula Zaharis at (470)-312-2787.

**9. RIGHTS OF PARTIES:** The parties to this matter shall have all of the rights provided for in the Act and the Rules, including but not limited to the following:

- to subpoena witnesses and documentary evidence;
- to be represented by legal counsel; and
- to respond to and present evidence on all issues involved.

**SO ORDERED** this 24th day of February 2026.

**SECRETARY OF STATE  
COMMISSIONER OF SECURITIES  
BRAD RAFFENSPERGER**

By: /s/ Noula Zaharis  
Noula Zaharis  
Assistant Commissioner of Securities