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↪ is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, or by a fine of not more than \$500,000, or by both fine and imprisonment, for each violation. In addition to any other penalty, the court shall order the person to pay restitution and may order the person to repay the costs of investigation and prosecution incurred by the Division and the Office of the Attorney General. If the violation was committed against an older person or vulnerable person, any restitution and costs of investigation and prosecution imposed by the court must be in an amount equal to twice the amount that would otherwise have been imposed by the court. Money recovered for reimbursement of the costs of investigation and prosecution must be deposited in the State General Fund for credit to the Secretary of State's Operating General Fund Budget Account.

2. A person convicted of violating a regulation or order under this chapter may be fined, but must not be imprisoned, if the person proves lack of knowledge of the regulation or order.
3. This chapter does not limit the power of the State to punish a person for conduct which constitutes a crime under other law.

DATED this 23rd day of March, 2018.

NEVADA SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE



DIANA J. FOLEY, ADMINISTRATOR
DEPUTY SECRETARY OF STATE FOR SECURITIES

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16. This Summary Order to Cease and Desist is effective immediately upon signing.

IT IS SO ORDERED.

DATED this 23rd day of March, 2018.

NEVADA SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE



DIANA J. FOLEY, ADMINISTRATOR
DEPUTY SECRETARY OF STATE FOR SECURITIES

1 **CERTIFICATE OF MAILING**

2 I certify that I am an employee of the Securities Division of the Office of the Secretary of
3 State, State of Nevada, and that on this 23rd day of March, 2018, I have caused a true and correct
4 copy of the foregoing Summary Order to Cease and Desist to be served by United States Certified
5 Mail, Return Receipt Requested, and First Class Mail, to the following:

6 **Perry C. Santillo, Jr.**
7 **36 W. Main Street, Suite 600**
8 **Rochester, NY 14614**

9 **Perry C. Santillo, Jr.**
10 **d/b/a High Point Insurance Solution**
11 **3041 W. Horizon Ridge Parkway, Suite 150**
12 **Henderson, NV 89052**

13 **Advice and Life Group, LLC**
14 **d/b/a High Point Insurance Solutions**
15 **c/o Brandon Walthers, its Registered Agent**
16 **3041 W. Horizon Ridge Parkway, Suite 130**
17 **Henderson, NV 89052**

18 **First Nationle Solution, LLC**
19 **c/o Perry Santillo, Manager**
20 **36 W. Main Street, Suite 600**
21 **Rochester, NY 14614**

22 **Middlebury Development, LLC**
23 **c/o InCorp Services, Inc.**
24 **2285 S. Michigan Road**
25 **Eaton Rapids, Michigan 48827**

26
27
28

Employee of the Nevada Securities Division

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION
555 EAST WASHINGTON AVENUE, SUITE 5200
LAS VEGAS, NEVADA 89101

In the Matter of)
)
PERRY C. SANTILLO, JR., CRD No.)
4623850, an individual, and d/b/a HIGH)
POINT INSURANCE SOLUTION;)
ADVICE AND LIFE GROUP, LLC, d/b/a)
HIGH POINT INSURANCE SOLUTIONS;)
FIRST NATIONLE SOLUTION, LLC, and)
MIDDLEBURY DEVELOPMENT, LLC.)
)
Respondents.)

**COMPLAINT FOR SUMMARY ORDER
AND FINAL ORDER TO CEASE AND
DESIST AND OTHER APPROPRIATE
RELIEF**

File No. INV18-022

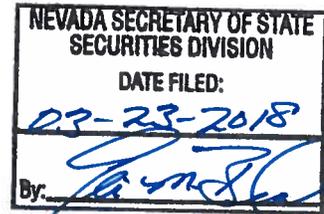
TO: Perry C. Santillo, Jr.
36 W. Main Street, Suite 600
Rochester, NY 14614

Perry C. Santillo, Jr.
d/b/a High Point Insurance Solution
3041 W. Horizon Ridge Parkway, Suite 150
Henderson, NV 89052

Advice and Life Group, LLC
d/b/a High Point Insurance Solution
c/o Brandon Walthers, Registered Agent
3041 W. Horizon Ridge Parkway, Suite 130
Henderson, NV 89052

First Nationle Solution, LLC
c/o Perry Santillo, Manager
36 W. Main Street, Suite 600
Rochester, NY 14614

Middlebury Development, LLC
c/o InCorp Services, Inc.
2285 S. Michigan Road
Eaton Rapids, Michigan 48827



1 4. Internet domain registry data obtained by means of a WHOIS query/response protocol
2 indicated that the website for High Point Insurance Solution, www.highpointsolution.com, was
3 registered by the organization "Advice and Life Group" on or about October 12, 2016. There are no
4 references to Advice and Life Group anywhere on the website; likewise, there are no references to
5 High Point Insurance Solution in the website's domain registry data.

6 5. Respondent First Nationle Solution ("FNS"), is a Michigan-based Limited Liability
7 Company registered as a Foreign Limited Liability Company in "Revoked" status with Commercial
8 Recordings, Nevada Business ID No. NV20121611288. Mr. Santillo is listed as the manager for
9 FNS, with a listed address of 36 West Main Street, Suite 600, Rochester, NY 14614. The listed
10 Commercial Registered Agent for FNS in the State of Nevada resigned on February 5, 2018.

11 6. According to records maintained on-line by the New York Department of State,
12 Division of Corporations, FNS is currently in "Active" status, with a listed address of 36 West Main
13 Street, Suite 600, Rochester, NY 14614.

14 7. Respondent Middlebury Development, LLC is a Michigan-based Limited Liability
15 company. Records maintained by the State of Michigan list the address for Middlebury
16 Development, LLC as being 1986 Dell Rose Drive, Bloomfield, Michigan, 48302. The manager is
17 listed as Richard Vito, whose listed mailing address is 36 West Main Street, Suite 600, Rochester,
18 New York, 14614. Middlebury Development, LLC does not have a business license in the State of
19 Nevada.

20 **FACTUAL BACKGROUND**

21 8. Unnamed Investor #1, an identified Nevada resident, invested in products sold by
22 Santillo in August 2017, after being approached by "J.F.," a person known to Unnamed Investor #1.
23 At the time, J.F. worked at a Nevada call center for High Point Insurance Solution. The call center
24 was located at 3041 W. Horizon Ridge Parkway, Suite 150, Henderson, NV.

25 9. According to J.F., he and four other individuals worked out of the Henderson location
26 at 3041 W. Horizon Ridge Parkway, Suite 150, Henderson, NV 89052, which was operated as a "call
27 center" utilizing a computer-based database to "cold-call" hundreds of people daily.
28

1 10. J.F. and other call center employees were instructed to utilize a “preliminary fact
2 finder,” an internal document designed to gather family and financial information about the potential
3 investors while attempting to sell Medicare supplemental products. J.F. stated that the Henderson
4 call center contacted individuals throughout the United States.

5 11. Upon information and belief, potential investors with sufficient assets were transferred
6 to Santillo, who would “close” the deals by attempting to complete a sale. According to J.F., Santillo
7 explained this arrangement by stating that J.F. and the other employees at the Henderson office did
8 not hold valid securities licenses. J.F. states that he was paid a low hourly rate and was also promised
9 a percentage of all sales resulting from his efforts, but never saw an increase in pay due to sales
10 resulting from his calls.

11 12. After meeting Santillo through J.F., Unnamed Investor #1 invested a total of
12 approximately \$374,914.74 in products offered by Santillo: \$266,224.27 in a purported fixed index
13 annuity product and an additional \$108,690.47 in “NEX Medical Solution,” which was described to
14 Unnamed Investor #1 as a medical device being marketed to physicians.

15 13. Unnamed Investor #1 ultimately received a promissory note instead of a fixed annuity
16 product and on information and belief a security issued by Middlebury Development, LLC, as
17 detailed below. The status of Unnamed Investor #1’s investment into “NEX Medical Solution” is
18 unknown as Unnamed Investor #1 has been unable to obtain information regarding the same from
19 Santillo.

20 14. As stated above, Unnamed Investor #1 states that the first investment opportunity
21 presented to him by Santillo was a purported fixed indexed annuity. Santillo provided Unnamed
22 Investor #1 with a copy of a “non-guaranteed supplemental illustration” for a fixed indexed annuity
23 with a \$250,000.00 initial premium. According to Unnamed Investor #1, Santillo stated orally that
24 after 10 years, Unnamed Investor #1 would have an income base of \$569,910.00, and a lifetime
25 income withdrawal of \$33,625.00 a year.

26 15. According to Unnamed Investor #1, the other investment opportunity presented by
27 Santillo was an investment in “NEX Medical Solutions.” Santillo provided Unnamed Investor #1
28 with photocopies of several pages from the “NEX Medical Solutions Product Catalog” highlighting

1 the NMS-100 medical device. According to Santillo, he would purchase machines for \$40,000.00
2 each, then lease them to medical providers. The return on the investment would be provided by
3 income from lease payments for the equipment—if doctors failed to pay, Santillo advised he would
4 place a lien on the doctor’s practice.

5 16. According to Unnamed Investor #1, Santillo advised him to invest in both the
6 purported fixed index annuity and “NEX Medical Solutions,” and instructed him to transfer
7 approximately \$266,224.27 out of his existing 401(k) held with Fidelity Investments to a self-
8 directed IRA custodian, Quest IRA, Inc., based in Texas. Unnamed Investor #1 relied on Santillo to
9 obtain the necessary paperwork to make the transfers and to determine how much money he would
10 need to transfer. After the transfer, Unnamed Investor #1 had approximately \$134,000.00 remaining
11 in his Fidelity Investment 401(k) account.

12 17. According to Unnamed Investor #1, Santillo completed all of the paperwork necessary
13 to transfer Unnamed Investor #1’s assets to Quest IRA, Inc. The extent of Unnamed Investor #1
14 efforts were limited to signing forms (described below) where required by Santillo. As a result,
15 approximately \$266,224.27 of Unnamed Investor #1’s UnitedHealth 401(k) was transferred to a self-
16 directed Rollover IRA with Quest IRA, Inc. as Custodian.

17 18. On July 27, 2017, Unnamed Investor #1 signed forms provided by Santillo titled “Full
18 Distribution – Rollover,” “Interested Party Designation,” “General Fee Schedule,” “Adoption
19 Agreement Traditional, Roth, SEP,” and “Rollover Form,” which directed that Unnamed Investor
20 #1’s monies were to be rolled over from Unnamed Investor #1’s UnitedHealth 401(k) to the self-
21 directed IRA custodian, Quest IRA, Inc., which was recommended by Santillo.

22 19. On August 14, 2017, Unnamed Investor #1 signed a “Direction of Investment” form
23 from the self-directed IRA custodian, Quest IRA, Inc., indicating that a note for \$250,000.00 was
24 purchased in the self-directed IRA account. The terms of the note were 6.00% interest with a
25 maturity date of August 14, 2020. The note was issued by FNS.

26 20. Unnamed Investor #1 did not concurrently view or sign a subscription agreement or
27 other prospectus regarding his investments with Santillo and did not receive the same until two
28 months later. On October 5, 2017, Unnamed Investor #1 signed a “Subscription Agreement” for

1 FNS (“Subscription Agreement”). The Subscription Agreement identified FNS as the “Debtor” and
2 Unnamed Investor #1 as the “Offeree.”

3 21. According to the Subscription Agreement, “the security offered hereunder (the
4 “Note”) constitutes a nonnegotiable debt that matures on August 14, 2020. Interest will accrue
5 quarterly and will come due on the first day of each contractual quarter until the Note matures—at
6 6.00% per annum.” The interest was to be paid directly to Unnamed Investor #1.

7 22. The Subscription Agreement contained a number of questions regarding Unnamed
8 Investor #1’s finances. Within the Subscription Agreement, the following boxes were checked:

- 9 a. Annual pre-tax income between \$50,000.00 and \$75,000.00 in 2015 and 2016.
10 b. Personal net worth between \$500,000.00 and \$750,000.00 in 2015 and 2016.
11 c. “The sum that you have subscribed to invest in this Note equals...less than one-
12 third of your net worth, but more than one-fifth your net worth.”

13 23. Accompanying the Subscription Agreement was what appeared to be an untitled
14 promissory note printed on FNS letterhead. The document listed an “effective date” of August 14,
15 2017, a principal of \$250,000.00, and the note number FNSQCD08201714. The first paragraph
16 reads in pertinent part:

17 First Nationle Solution, LLC, a Michigan Limited Liability Company,
18 (the “Maker”), with a mailing address of 44 Wall Street, 12th Floor New
19 York, NY 10005 hereby promises to pay to the order of [Self-Directed
20 IRA Custodian] FBO [Unnamed Investor #1] ... the principal sum of
21 Two Hundred Fifty Thousand Dollars (\$250,000.00) in lawful money of
22 the United States of America with interest thereon upon the terms and
23 conditions hereinafter set forth on or before August 14, 2017 provided
24 herein.

25 24. Unnamed Investor #1 received a statement generated by FNS in September 2017,
26 which indicated his investment had a balance of \$262,500.00. This amount reflected the original
27 investment amount of \$250,000.00 and a purported “bonus” of \$12,500.00; however, Unnamed
28 Investor #1 could not confirm this with the account custodian, Quest IRA, Inc.

29 25. Since September 2017, Unnamed Investor #1 has not received any statements from
30 Santillo, FNS, or High Point Insurance Solution regarding the First Nationle, LLC promissory note.
31 Unnamed Investor #1 also received a statement indicating that that he was issued a security in

1 Middlebury Development, LLC. Additionally, Unnamed Investor #1 has not received any additional
2 information from Santillo, FNS, High Point Insurance Solution or Middlebury Development, LLC
3 on the status of his investments.

4 26. The Securities and Exchange Commission and the North American Securities
5 Administrators Association have warned about the risks of self-directed IRAs in an investor alert
6 entitled "Investor Alert: Self-Directed IRAs and the Risk of Fraud," which states that a self-directed
7 IRA is unsuitable for investors who are unprepared to manage their own investments and who are
8 accustomed to relying on the services of an investment professional.

9 27. Unnamed Investor #1 is not an accredited investor as defined by 17 CFR
10 §230.501(a)(5)-(6), which states that an accredited investor is "any natural person whose individual
11 net worth...exceeds \$1,000,000" or "any natural person who had an individual income in excess of
12 \$200,000 in each of the two most recent years." At the time of the investment, Unnamed Investor
13 #1's assets were limited to less than \$750,000.00 and his yearly income was between \$50,000 and
14 \$75,000.00.

15 28. Unnamed Investor #1's is a retired investor whose only investment experience was a
16 work-funded 401(k) plan. Unnamed Investor #1 relied on the advice of Santillo to make the decision
17 to invest in the products as proposed by Santillo.

18 29. Upon information and belief, Respondents have been compensated for their
19 involvement in selling the above-referenced investments to Unnamed Investor #1.

20 30. Santillo and ALG received an Instruction to Cease and Desist Unlicensed Activity
21 from the Department of Business and Industry, Division of Insurance on April 21, 2017, wherein the
22 Division of Insurance alleges that Santillo and other employees of ALG were engaging in the
23 unlicensed solicitation, negotiation, or sale of insurance products in the State of Nevada without
24 proper licenses and were ordered to cease and desist further unlicensed activity.

25 31. Specifically, the Division of Insurance set forth in its cease and desist that it had
26 received complaints that on or between June 2015 to March 2016, Santillo and other employees of
27 ALG were "using unlicensed sales persons called 'fronters' to sell Medicare supplement policies to
28 senior citizens 65 years of age or older; make contact with the potential customers; explain the

1 available programs; obtain social security and credit card information; and then close the sales under
2 the names and license numbers of non-resident producer licensees.”

3 32. The Instruction to Cease and Desist Unlicensed Activity was effective as of April 21,
4 2017.

5 33. On or about February 1, 2018, the Securities Division of the Office of the Maryland
6 Attorney General issued a *Summary Order to Cease and Desist and Order to Show Cause* against
7 Mr. Santillo and to High Point Insurance Solutions alleging violations of the Maryland Securities
8 Act.

9 34. On or about February 7, 2018, Unnamed Investor #1, received a letter in the mail from
10 QuestIRA, Inc. (“Quest”), a self-directed IRA custodian located in Houston, TX. The letter stated
11 that Quest had been notified by the Maryland Attorney General’s Office that a cease-and-desist order
12 had been issued against Mr. Santillo, High Point Wealth Management, and High Point Insurance
13 Solutions, and therefore Quest would be unable to process any transaction related to those named in
14 the order.

15 35. On or about February 12, 2018, Unnamed Investor #1 received a letter in the mail from
16 Mr. Santillo, written on “High Point Insurance Solution” letterhead with the address of 100 West
17 Road, Suite 405, Towson, Maryland 21204. The letter provided, in pertinent part:

18 I am writing you in response to the email that has been sent by Quest
19 IRA, Inc. regarding the receipt Maryland Cease & Desist notice.

20 I’d like to begin by reassuring you that we have not engaged in any
21 wrongdoing, this is a notice of an inquiry by the Securities
22 Commissioner. We are fully cooperating and working diligently to
23 educate the office as to our business structure and unwavering
24 commitment to compliance.

25 I sincerely apologize for any inconvenience that this may have caused
26 you. I also want you to rest assured that this has not and will not affect
27 your accounts.

28 Sincerely, Perry Santillo, Jr., President/CEO.

36. On or about February 22, 2018, Unnamed Investor #1 received a “Statement of
Account” from “Middlebury Development, LLC,” reporting an initial balance of \$108,690.47 as of
August 4, 2017 and balance of \$108,690.47 as of February 22, 2018. According to records

1 maintained by the State of Michigan, Middlebury Development, LLC is in active status and was
2 formed in 2011 to “purchase, improve and/or sell residential realty and engage in activities related
3 to or in support of the foregoing.” Middlebury Development, LLC filed a Certificate of Assumed
4 Name with the State of Michigan on March 23, 2015 wherein the listed responsible party was
5 “Richard Vito” located at 36 West Main Street, Suite 600, Rochester, New York, 14614.

6 37. According to records maintained by the Division, none of the Respondents have ever
7 been licensed with the Division as a sales representative of a broker/dealer or issuer, or been licensed
8 as a representative of an investment adviser. Upon information and belief, none of the Respondents
9 disclosed this fact to Unnamed Investor #1 or to other investors solicited through the Henderson
10 location.

11 38. According to records maintained by the Division, none of the Respondents have ever
12 been licensed with the Division as a broker-dealer or an investment adviser. Upon information and
13 belief, Respondents never disclosed this fact to Unnamed Investor #1 or to other investors solicited
14 through the Henderson location.

15 39. According to records maintained by the Division, neither FNS, ALG, Middlebury
16 Development, LLC nor any associated d/b/a with the entities, has ever filed an application for the
17 registration of securities or a notice of exemption from registration with the Division. Upon
18 information and belief, neither FNS, ALG, Middlebury Development, LLC, nor any associated d/b/a
19 ever disclosed this fact to Unnamed Investor #1 or to other investors solicited through the Henderson
20 location.

21 **STATUTORY BACKGROUND**

22 40. The Nevada Uniform Securities Act (“Act”), as codified in Chapter 90 of the Nevada
23 Revised Statutes (“NRS”) and regulates the offer, sale, and purchase of securities in or from the State
24 of Nevada.

25 41. NRS 90.295 defines a “security” as:

26 [A] note, stock, bond, debenture, evidence of indebtedness, certificate
27 of interest or participation in a profit-sharing agreement, a limited
28 partnership interest, an interest in a limited-liability company,
collateral-trust certificate, preorganization certificate or subscription,

1 transferable share, investment contract, viatical settlement investment,
2 voting-trust certificate, certificate of deposit for a security, fractional
3 undivided interest in an oil, gas or other mineral lease or in payments
4 out of production of such a lease, right or royalty, a put, call, straddle or
5 option on a security, certificate of deposit or group or index of securities
6 including any interest therein or based on the value of any of the
7 foregoing, or, in general, any interest or instrument commonly known
8 as a security or any certificate of interest or participation in, temporary
9 or interim certificate for, receipt for, whole or partial guarantee of or
10 warrant or right to subscribe to or purchase any of the foregoing.

11 42. NRS 90.280 defines “sale” and “sell” as including “every contract of sale, contract to
12 sell, or other disposition, of a security or interest in a security for value.” Additionally, “offer to
13 sell” includes “every attempt or offer to dispose of, or solicitation of an offer to purchase, a security
14 or interest in a security for value.”

15 43. NRS 90.255 defines “issuer” as “a person who issues or proposes to issue a security.”
16 Here, FNS is the issuer of the Promissory Note, a security.

17 44. NRS 90.220 defines “broker-dealer” as “any person engaged in the business of
18 effecting transactions in securities for the account of others or for a person’s own account.” Here,
19 Santillo acted as the broker-dealer by engaging in the business of transacting the sale of a security,
20 the Promissory Note, on behalf of Unnamed Investor #1.

21 45. NRS 90.285 defines “sales representative” as “a natural person other than a broker-
22 dealer, authorized to act and acting for a broker-dealer or issuer effecting or attempting to effect
23 purchases or sales of securities.”

24 46. NRS 90.250 defines “investment adviser” as “any person who, for compensation,
25 engages in the business of advising others as to the value of securities or as to the advisability of
26 investing in, purchasing, or selling securities...” In this case, Santillo acted as an investment advisor
27 by receiving compensation in the form of unaccounted for monies from Unnamed Investor #1 in
28 exchange for advising Unnamed Investor #1 as to the value of the security in the form of the
Promissory Note.

1 47. NRS 90.278 defines “representative of an investment adviser” as:

2 [A]ny person employed by or associated with an investment adviser
3 who: (a) Provides advice concerning securities; (b) Manages accounts
4 or portfolios of clients; (c) Determines the advice concerning securities
5 that is offered to clients; (d) Solicits for the sale of investment advice,
6 unless the person is a sales representative licensed pursuant to this
7 chapter; (e) Sells, offers to sell, or negotiates for the sale of investment
8 advice; or (f) Supervises employees who engage in the activities
9 described in paragraphs (a) to (e), inclusive.

10 48. As set forth in NRS 90.310, it is a violation of the Act for any person to act as a broker-
11 dealer or sales representative unless licensed or exempt from licensing under the Act; additionally,
12 it is a violation of the Act for any issuer or any licensed broker-dealer to employ or contract with a
13 person as a sales representative unless the sales representative is licensed or exempt from licensing
14 under the Act.

15 49. As set forth in NRS 90.330, it is a violation of the Act for any person to act as an
16 investment adviser or as a representative of an investment adviser unless licensed or exempt from
17 licensing under the Act.

18 50. As set forth in NRS 90.460, it is a violation of the Act for a person to offer to sell or
19 sell any security in this State unless the security is registered or the security or transaction is exempt
20 under the Act.

21 51. As set forth in NRS 90.550, the Administrator by order may deny or revoke an
22 exemption specified in NRS 90.520 or 90.530, with respect to a specific security or transaction.

23 52. As set forth in NRS 90.570, in connection with the offer to sell, sale, offer to purchase
24 or purchase of a security, a person shall not, directly or indirectly, employ any device, scheme or
25 artifice to defraud; make an untrue statement of a material fact or omit to state a material fact
26 necessary in order to make the statements made not misleading in the light of the circumstances
27 under which they are made; or engage in an act, practice or course of business which operates or
28 would operate as a fraud or deceit upon a person.

 53. As set forth in NRS 90.590, it is a violation of the Act for an investment adviser,
representative of an investment adviser, or other person who represents an investment adviser in

1 performing an act that requires licensing as an investment adviser, to directly or indirectly engage in
2 an act, practice, or course of business that operates or would operate as a deceit upon a client.

3 54. As set forth in NRS 90.630(1), if the Administrator of the Division reasonably believes
4 that a security is being offered or has been offered or sold in violation of the Act, or that a person is
5 acting as a broker-dealer or investment adviser in violation of the Act, the Administrator may issue,
6 without a prior hearing, a Summary Order against the person engaged in the prohibited activities,
7 directing such person to desist and refrain from further activity until the security is registered or such
8 person is licensed under the Act.

9 55. Pursuant to NRS 90.630(2), the Administrator of the Division, after giving notice by
10 registered certified mail and conducting a hearing in an administrative proceeding, unless the right
11 to notice and hearing is waived by the person against whom the sanction is imposed, may: (a) issue
12 an order against the person to cease and desist; (b) censure the person if he or she is a licensed broker-
13 dealer, sales representative, investment adviser or representative of an investment adviser; (c) bar or
14 suspend the person from association with a licensed broker-dealer or investment adviser in this State;
15 (d) issue an order against an applicant, licensed person or other person who willfully violates this
16 chapter, imposing a civil penalty of not more than \$25,000 for each violation, or if the violation was
17 committed against an older person or vulnerable person, a civil penalty equal to twice the amount of
18 the civil penalty that would otherwise have been imposed pursuant to this paragraph, not to exceed
19 \$50,000 for each violation; or (e) initiate one or more of the actions specified in NRS 90.640.

20 56. Pursuant to 2017 Statutes of Nevada, Page 1797 (Chapter 322, SB 383) the
21 Respondents, acting as an investment adviser, broker-dealer, sales representative and representative
22 of an investment adviser, owed to Unnamed Investor # 1 a fiduciary duty to act in his best interest.

23 COUNT I

24 (Unlicensed Broker-Dealer)

25 57. The Division realleges and incorporates by reference paragraphs 1 through 56 above
26 as if set forth fully herein.

27 58. Respondents Santillo, Advice and Life Group, LLC, High Point Insurance Solution,
28 and First Nationle Solution, LLC are not licensed as broker-dealers with the Division.

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COUNT V

(Offer or Sale of Unregistered Securities)

69. The Division realleges and incorporates by reference paragraphs 1 through 56 above as if set forth fully herein.

70. Respondents Santillo, Advice and Life Group, LLC, High Point Insurance Solution, First Nationle Solution, LLC and Middlebury Development, LLC have not filed an application for the registration of securities or a notice of exemption from registration with the Division.

71. Respondents Santillo, Advice and Life Group, LLC, High Point Insurance Solution, First Nationle Solution, LLC, and Middlebury Development, LLC have violated and continue to violate NRS 90.460 by offering to sell and selling securities that are not registered with the Division, are not exempt from registration with the Division, and/or are not federally-covered securities.

COUNT VI

(Operating as a Deceit Upon a Client)

72. The Division realleges and incorporates by reference paragraphs 1 through 56 above as if set forth fully herein.

73. Respondents, by engaging in the conduct set forth above, have employed a device, scheme, or artifice to defraud by engaging in the offer of unregistered, non-exempt securities that are not federally-covered securities.

74. Respondents have violated and continue to violate NRS 90.590 by engaging directly or indirectly in an act, practice, or course of business that operates or would operate as a deceit upon a client.

COUNT VII

(Operating as a Deceit or Fraud Upon a Client)

75. The Division realleges and incorporates by reference paragraphs 1 through 56 above as if set forth fully herein.

76. Respondents have employed a device, scheme, or artifice to defraud by making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made,

1 including but not limited to facts pertaining to the sale of the purported "fixed index annuity," which
2 was actually a promissory note.

3 77. Respondents have violated and continue to violate NRS 90.570 by engaging in an act,
4 practice, or course of business which operates or would operate as a fraud or deceit upon a person.

5 **COUNT VII**

6 **(BREACH OF FIDUCIARY DUTY)**

7 78. The Division realleges and incorporates by reference the allegations contained in paragraphs
8 1-56 above.

9 79. Respondents, by engaging in the conduct described above, breached their fiduciary duty
10 owed to the Unnamed Investor # 1.

11 **REQUEST FOR RELIEF**

12 Based upon the foregoing, the Division respectfully requests the following:

13 1. That a Summary Order be entered requiring that Respondents immediately Cease and
14 Desist from violating the Act;

15 2. That a Final Order be entered requiring that Respondents immediately Cease and
16 Desist from violating the Act;

17 3. That a Civil Penalty not to exceed \$25,000.00 be imposed against Respondents for
18 each violation of the Act;

19 4. That a Civil Penalty not to exceed \$50,000.00 be imposed against Respondents for
20 each violation of the Act against an older person or a vulnerable person;

21 5. That the exemptions from registration set forth in NRS 90.530 be revoked for any
22 promissory note, evidence of indebtedness, interest in a limited liability company or other security
23 issued by First Nationle Solutions, LLC or Middlebury Development LLC, or sold by any
24 Respondent.

25 6. Reasonable attorney's fees and costs of investigation; and

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7. For such other and further relief as the Hearing Officer deems just and proper.

Dated this 23rd day of March, 2018.

Respectfully submitted,

NEVADA SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE



ERIN M. HOUSTON
CHIEF OF ENFORCEMENT

1 **CERTIFICATE OF MAILING**

2 I certify that I am an employee of the Securities Division of the Office of the Secretary of
3 State, State of Nevada, and that on this 23rd day of March, 2018, I have caused a true and correct
4 copy of the foregoing Complaint for Summary and Final Order to Cease and Desist and Other
5 Appropriate Relief to be served by United States Certified Mail, Return Receipt Requested, and First
6 Class Mail, to the following:

7 **Perry C. Santillo, Jr.**
8 **36 W. Main Street, Suite 600**
9 **Rochester, NY 14614**

10 **Perry C. Santillo, Jr.**
11 **d/b/a High Point Insurance Solution**
12 **3041 W. Horizon Ridge Parkway, Suite 150**
13 **Henderson, NV 89052**

14 **Advice and Life Group, LLC**
15 **d/b/a High Point Insurance Solutions**
16 **c/o Brandon Walthers, its Registered Agent**
17 **3041 W. Horizon Ridge Parkway, Suite 130**
18 **Henderson, NV 89052**

19 **First Nationle Solution, LLC**
20 **c/o Perry Santillo, Manager**
21 **36 W. Main Street, Suite 600**
22 **Rochester, NY 14614**

23 **Middlebury Development, LLC**
24 **c/o InCorp Services, Inc.**
25 **2285 S. Michigan Road**
26 **Eaton Rapids, Michigan 48827**

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Employee of the Nevada Securities Division