

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE
BUREAU OF SECURITIES REGULATION**

IN THE MATTER OF:

Margaret Tully
CRD #2222615

Tully & Co. Investments LLC
CRD #119862

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FINDINGS, RULINGS AND ORDER

COM07-004

Procedural History

On April 20, 2011, the Bureau of Securities (hereinafter "the Bureau") filed a Staff Petition for Relief against the above captioned Respondents for failing to abide by a Consent Order requiring timely payment of penalties assessed by the Bureau.

An Order to Suspend License as an Investment Advisor and Investment Advisor Representative; Order to Cease and Desist; and Order to Show Cause was issued on April 21, 2011 by this Hearings Officer. A Show Cause hearing was set for May 2, 2011. On April 29, 2011, the Bureau filed a Joint Motion to Postpone said hearing. The motion was granted and the Show Cause hearing was rescheduled for May 9, 2011.

On May 6, 2011, the Bureau filed a Motion to Amend Staff Petition for Relief, seeking additional administrative fines, and subsequently filed a Joint Motion to Postpone Hearing to allow Respondent's time to review the filing. On May 10, 2011, this Hearings Officer issued an Order granting both motions. The hearing was scheduled for and held at 10:00 a.m. on May 24, 2011.

Findings of Fact

The facts of this case are not disputed by the parties, and are set forth in the Bureau's and Respondent's Joint Findings of Facts and Conclusions of Law, filed with this Hearings Officer on June 7, 2011. These Joint Findings and Conclusions are incorporated herein. A copy is attached as Exhibit "A".

Rulings of Law

1. The respondent is a person within the meaning of RSA 421-B:2,XVI.
2. Tully & Co. Investments LLC is an investment advisor within the meaning of RSA 421-B:2,IV.
3. Margaret Tully was, at all times pertinent to this matter, an investment advisor representative within the meaning of RSA 421-B:2,IX-a..
4. Pursuant to RSA 421-B:10,I(b)(2), the Secretary of State may by order deny, suspend, or revoke any license or application if he finds that the order is in the public interest and a person has willfully violated or failed to comply with any provision of RSA 421-B, or any order thereunder. Tully & Co. Investments, Inc. and Margaret Tully are subject to the provision, and in violation of a consent agreement previously entered with the Bureau.
5. Pursuant to RSA 421-B:10,III, the Secretary of State may issue an order requiring the person to whom any license has been granted to show cause why the license should not be revoked. Said order was issued to the Respondents on April 21, 2011.

Discussion

The facts in this case are not disputed by the parties. At hearing, the Bureau established through sufficient documentary evidence that the Respondent violated the terms of a Consent Order entered with the Bureau on December 28, 2010. In addition, certain facts and information as noted in the Bureau's Amended Staff Petition for Relief raises serious concerns about the on-going financial viability of this advisory firm, particularly where Tully & Co. has discretionary authority over client funds. In view of the information presented at hearing, Finding it necessary and appropriate and in the public interest and for the protection of investors and consistent with the intent and purpose of the New Hampshire Securities Act R.S.A. 421-B,

Order

It is hereby **ORDERED**, that:

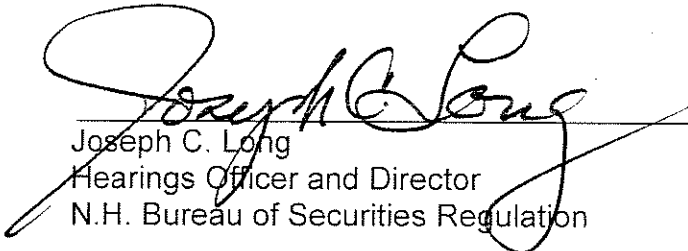
1. The investment advisor license of Tully & Co. Investments LLC is revoked for a period of three (3) years. In the event Tully & Company elects to pursue licensure in the future as a state covered Investment Advisor with Margaret Tully as its principal, Margaret Tully shall be required to re-qualify as a principal through successful completion of the FINRA Series 24 examination.

2. Margaret Tully may immediately pursue appointment and licensure as an agent representative of an investment advisor firm provided she: **(1)** does not hold any ownership interest in or serve in a principal capacity with the appointing firm, **(2)** is subject to heightened supervision by an on-site Series 24 licensed principal. The investment advisor firm shall notify the Bureau as to what heightened supervision requirements have been imposed for approval by the Bureau. The investment advisor shall quarterly file a report with the Bureau indicating what steps have been taken to insure the requirements of heightened supervision have been complied with and whether any violations of the agreement or securities laws, state or federal, have been noted. **(3)** she is not to be assigned or employed at a one person office, and **(4)** does not exercise actual or defacto discretionary authority. Tully may petition the Director of Securities to remove the heighten supervision requirement no earlier than one (1) year following the effective date of her appointment as an investment advisor representative, if she shows evidence acceptable to the Director that the conditions imposed by this order have been fully complied with up to the date of the removal request and no other violations of the N.H. Securities Act have occurred.
3. Margaret Tully may pursue appointment and licensure as a registered representative of a broker-dealer provided she **(1)** re-qualifies as an agent through successful completion of the FINRA Series 7 & 63 examinations, **(2)** the appointing broker-dealer agrees to impose, and Margaret Tully is subject to on-site heightened supervision for a period of 2 years, **(3)** she is not assigned or employed in a one-person office, and **(4)** she does not exercise actual or defacto discretionary authority. Margaret Tully may petition the Director of Securities to remove the heighten supervision requirement no earlier than one year from the effective date of her appointment as a broker-dealer representative.
4. Licensure is conditional upon payment of all previously assessed fines and cost within one year from entry of the date of this order.
5. This matter shall remain open for a period of two years to determine compliance with the terms of this order. However, the Respondents may petition the Director of Securities to close this matter within one year from the date of this order.

SIGNED,
William M. Gardner,
Secretary of State
By His Designee:

Date:

July 15, 2011



Joseph C. Long
Hearings Officer and Director
N.H. Bureau of Securities Regulation