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SECURITIES COMMISSIONER FOR THE  
STATE OF DELAWARE  
NOV 08 2010

BEFORE THE SECURITIES COMMISSIONER  
OF THE STATE OF DELAWARE

IN THE MATTER OF: )  
)  
) CASE NO. 08-5-1  
GARY L. WOULARD, )  
)  
) Respondent )

ADMINISTRATIVE CONSENT ORDER

Preliminary Statement

WHEREAS, Respondent Gary L. Woulard ("Woulard") is a resident of the State of Delaware who currently resides at ; and

WHEREAS, the Delaware Division of Securities (the "Division") is a unit within the Delaware Department of Justice directed by the Delaware Securities Commissioner (the "Commissioner"), which derives its authority from the Attorney General pursuant to the Delaware Securities Act (the "Securities Act", 6 Del. C. Ch 73); and

WHEREAS, the Division has filed an administrative complaint with the Commissioner on October 8, 2010 (the "Complaint"), alleging that Mr. Woulard violated certain provisions of the Securities Act, as set forth in the Complaint; and

WHEREAS, Mr. Woulard denies the allegations in the administrative complaint and the findings of fact and conclusions of law contained herein, but admits that he owes money to the persons named in the administrative complaint by the Division and therefore elects to permanently waive any and all rights that he or his successors and/or assigns may have with respect to this Administrative Consent Order, including any and all rights to a hearing or an appeal; and

WHEREAS, Mr. Woulard agrees that he is not the prevailing party in the above-captioned action and elects to specifically release and hold harmless the Division and its representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter; and

WHEREAS, Mr. Woulard further agrees and elects to specifically release and hold harmless Ms. | \_\_\_\_\_, Mr. | \_\_\_\_\_, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter; and

WHEREAS, Mr. Woulard agrees not to take any action to appeal or overturn this Order and the Commissioner and the Division agree that this Order and the findings made herein shall be used solely for the purposes of this enforcement proceeding and shall not be binding against Mr. Woulard in any other forum or proceeding. Nothing in this paragraph affects Mr. Woulard's (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings.

NOW THEREFORE, the Commissioner hereby enters this order.

#### **FINDINGS OF FACT**

1. On or about July 30, 2004, in New Castle County, Delaware, Gary Woulard, d/b/a Simptertest, offered and sold to | \_\_\_\_\_ a security in the form of an investment contract. | \_\_\_\_\_ paid Gary Woulard, d/b/a Simptertest, a sum of twenty thousand dollars (\$20,000.00) as consideration for the investment contract.

2. Gary Woulard represented in writing to | \_\_\_\_\_ (in a letter dated July 31, 2004 informing her that her account had been "approved") that: (i) "[a]ssets that you invest in this Simple Account will earn a return rate of 18% (eighteen percent) per

year”; and (ii) “[e]ach month that assets are held in this account, they will earn a return of 1.5% (one and one half percent)”. Gary Woulard’s July 31, 2004 “account confirmation” letter further informed I \_\_\_\_\_ that “[f]or any reason, with 30 days written notice, all or any part of the assets held in this account may be withdrawn/returned without penalty.”

3. From July 2004 to approximately March 2007, I \_\_\_\_\_ received regular interest payments of \$300.00 per month, which led her to believe that her investment in Simptertest was legitimate and that she would continue to receive the monthly interest payments as Gary Woulard had promised.

4. Gary Woulard failed to notify I \_\_\_\_\_ on July 30, 2004 or on any date thereafter, that I \_\_\_\_\_ Simptertest investment “account” was not in fact an individual account, but was co-mingled with Gary Woulard’s personal assets as well as assets of other investors in Simptertest.

5. On or about May 9, 2008, I \_\_\_\_\_ sent, via U.S. Registered Mail, a letter to Gary Woulard requesting the return of all assets held in her account, without penalty and within thirty days, in accordance with the terms of her investment contract. I \_\_\_\_\_ stated in her letter that “[n]o interest has been realized since May 2007.”

6. The security that Gary Woulard offered and sold to I \_\_\_\_\_ was not registered with the Commissioner, and no notice filing regarding the security had been made with the Commissioner.

7. On or about October 31, 2004, in New Castle County, Delaware, Mr. Woulard, d/b/a Simptertest, offered and sold to I \_\_\_\_\_ a security in the form of an

investment contract. I \_\_\_\_\_ paid Gary Woulard, d/b/a Simptertest, a sum of one thousand dollars (\$1,000.00) as initial consideration for the investment contract.

8. As additional consideration for the investment contract, I \_\_\_\_\_ wrote a total of three checks payable to Gary Woulard d/b/a Simptertest, each for one thousand dollars (\$1,000.00), on or about May 31, 2005, August 2, 2005 and July 27, 2007. \_\_\_\_\_ wrote a final check of one hundred dollars (\$100.00) payable to Mr. Woulard on or about September 25, 2007. From October 31, 2004 through September 25, 2007, I \_\_\_\_\_ paid additional consideration in cash to Mr. Woulard to invest in Simptertest on I \_\_\_\_\_ behalf. Gary Woulard thus accepted from I \_\_\_\_\_ consideration totaling approximately \$7,000.00 for the investment contract, including the checks and cash payments described herein.

9. The security that Gary Woulard offered and sold to I \_\_\_\_\_ was not registered with the Commissioner, and no notice filing regarding the security had been made with the Commissioner.

10. Gary Woulard represented in writing to I \_\_\_\_\_ on the "Simple Account Application" that Mr. \_\_\_\_\_ filled out on October 1, 2004, that "[I \_\_\_\_\_ investment in this Simple Account will earn a return of 18% (eighteen percent) per year. Each month that [Mr. \_\_\_\_\_ assets are held in a Simple Account, they will earn a return of 1.5% (one and one half percent). For any reason, within 30 days written notice, all or any part of the assets held in the Simple Account may be withdrawn/returned without penalty." Gary Woulard failed to notify I \_\_\_\_\_ that his "account" was not in fact an individual account, but was co-mingled with Gary Woulard's personal assets and assets given to Gary Woulard by other "investors" in Simptertest.

11. In March 2007, I \_\_\_\_\_ received a "Simple Account Summary", which reflected an account balance of \$6,452.08.

12. On or about July 27, 2007, and September 25, 2007, when Gary Woulard accepted checks from I \_\_\_\_\_ to invest in \_\_\_\_\_ Simptertest Account, Gary Woulard was aware that I \_\_\_\_\_ had demanded the return of her investment in Simptertest after Gary Woulard ceased making the contractually required interest payments to \_\_\_\_\_ but Gary Woulard failed to inform \_\_\_\_\_ of this fact.

13. As of the date of this Order, I \_\_\_\_\_ has not received any interest payment on his Simptertest investments, nor has he received any refund of his principal amounts invested.

#### **CONCLUSIONS OF LAW**

14. The Commissioner has jurisdiction over this matter pursuant to 6 *Del. C.* § 7325.

15. The Commissioner finds that Gary Woulard's conduct in offering and selling an unregistered security to I \_\_\_\_\_ was in violation of 6 *Del. C.* § 7304.

16. The Commissioner finds that Gary Woulard's conduct in offering and selling an unregistered security to \_\_\_\_\_ was in violation of 6 *Del. C.* § 7304.

17. The Commissioner finds that Gary Woulard, by accepting payments from I \_\_\_\_\_ and I \_\_\_\_\_ and by agreeing to manage the funds on behalf of each, acted as an investment advisor under the Securities Act and, accordingly, that Gary Woulard unlawfully transacted business as an investment advisor in violation of 6 *Del. C.* § 7313(c)(1).

18. The Commissioner finds that Gary Woulard's misrepresentations and omissions to [redacted] including his misrepresentations and omissions that (i) [redacted] would receive a guaranteed 18% annual (1.5% monthly) return on her investment; (ii) [redacted] investments were held in a separate account and not co-mingled with Gary Woulard's personal assets and assets of other investors; and (iii) [redacted] would be able to obtain a full refund of her invested funds within thirty days, upon written request, each constituted fraudulent misrepresentations or omissions in violation of 6 *Del. C.* § 7303.

19. The Commissioner finds that Gary Woulard, in connection with his actions as an investment adviser, either misrepresented or omitted to represent to [redacted] (i) [redacted] would receive a guaranteed 18% annual (1.5% monthly) return on her investment; (ii) [redacted] investments were held in a separate account and not co-mingled with Gary Woulard's personal assets and assets of other investors; and (iii) [redacted] would be able to obtain a full refund of her invested funds within thirty days, upon written request. Each of these misrepresentations or omissions constituted a material misstatement or omission made by Gary Woulard in violation of 6 *Del. C.* § 7317(a)(2).

20. The Commissioner finds that Gary Woulard's misrepresentations and omissions to [redacted] including Mr. Woulard's misrepresentations and omissions that: (i) [redacted] would receive a guaranteed 18% annual (1.5% monthly) return on his investment; (ii) [redacted] investments were held in a separate account and not co-mingled with Gary Woulard's personal assets and assets of other investors; (iii) [redacted] would be able to obtain a full refund of his invested funds within thirty days,

upon written request; and (iv) I \_\_\_\_\_ had demanded a return on her investment prior to Mr. \_\_\_\_\_ final payments to Gary Woulard after Gary Woulard ceased making interest payments to I \_\_\_\_\_ in violation of her investment contract; each constituted fraudulent misrepresentations or omissions in violation of 6 *Del. C.* § 7303.

21. The Commissioner finds that Gary Woulard, in connection with his actions as an investment adviser, either misrepresented or omitted to represent to I \_\_\_\_\_ that: (i) I \_\_\_\_\_ would receive a guaranteed 18% annual (1.5% monthly) return on his investment; (ii) I \_\_\_\_\_ investments were held in a separate account and not commingled with Gary Woulard's personal assets and assets of other investors; (iii) I \_\_\_\_\_ would be able to obtain a full refund of his invested funds within thirty days, upon written request; and (iv) another investor, I \_\_\_\_\_ had demanded a return on her investment, prior to I \_\_\_\_\_ final payments to Gary Woulard, and after Gary Woulard ceased making interest payments to Ms. \_\_\_\_\_ in violation of her investment contract. Each of these misrepresentations or omissions were material statements or omissions that were made by Mr. Woulard in violation of 6 *Del. C.* § 7317(a)(2).

22. The Commissioner finds that Gary Woulard's failure to notify the Commissioner that, in his capacity as an investment adviser, Gary Woulard took into custody each I \_\_\_\_\_ funds and I \_\_\_\_\_ funds, respectively, was in violation of § 7317(c)(2) of the Securities Act.

23. The Commissioner finds this Order and the following relief to be appropriate, in the public interest, and consistent with the purposes intended by the Securities Act.

## ORDER

On the basis of the Findings of Fact, Conclusions of Law, and Gary Woulard's consent to the entry of this Order for purposes of this proceeding only,

IT IS HEREBY ORDERED:

1. This Order concludes the above-captioned action and any other action that the Division could commence under applicable Delaware law as it relates to Gary Woulard's sale of unregistered securities, actions as an unregistered investment advisor or misrepresentations and omissions to E \_\_\_\_\_ and F \_\_\_\_\_ in connection with the investments specified herein and in the Complaint in the above-captioned action. The Division shall refrain from initiating any action against Gary Woulard based upon or related to the conduct set forth in this Order.

2. This Order is entered into solely for the purpose of resolving the above-captioned action and is not intended to be used for any other purpose.

3. Gary Woulard will cease and desist from violating the Act and will comply with the Act.

4. Gary Woulard agrees to a permanent bar from registration as an investment adviser, broker dealer or in any other capacity under the Delaware Securities Act or the Rules and Regulations Pursuant to the Delaware Securities Act

5. Gary Woulard agrees to make full restitution to E \_\_\_\_\_ in the amount of twenty thousand dollars (\$20,000) within three (3) years of the date of entry into this Order, including an initial payment to E \_\_\_\_\_ in the amount of two thousand five hundred dollars (\$2,500.00) within five (5) business days of the entry of

this Order. Monthly payments in the amount of five hundred dollars (\$500.00) per month shall follow, with the first payment to be made on the first day of the first full month following the date of entry of this Order, and the successive payments to be made on or before the first full day of each month thereafter, until the obligation is satisfied in full. Unless Mr. Woulard is notified in writing of a change of payee or address, the payments shall be made to | (or, if applicable, any successor or assign of | ), c/o |

6. Gary Woulard agrees to make full restitution to | in the amount of seven thousand dollars (\$7,000) within four (4) years and two months of the date of entry into this Order. Mr. Woulard shall satisfy his obligation to Ms. | referenced in paragraph 5 of this Order before he makes any restitution payments to | but shall also satisfy the obligation to | within the four (4) year and two months period provided herein. Unless Mr. Woulard is notified in writing of a change of payee or address, the payment (or payments) shall be made to | (or, if applicable, any successor or assign of | ),

7. Gary Woulard agrees to provide written confirmation to the Division that the restitution ordered in paragraphs 5-6 of this Order has been paid in full. Such written confirmations shall be made to the Division within five (5) business days of the final payments made to each of | and

8. If Gary Woulard defaults in any of his obligations set forth in this Order, the Division may vacate this Order, at its sole discretion, upon ten (10) days notice to

Mr. Woulard and without opportunity for administrative hearing, or the Division may take any other enforcement action that it deems is appropriate under applicable law.

9. Gary Woulard shall pay his own costs and attorneys' fees with respect to the above-captioned matter.

SO ORDERED THIS 8<sup>th</sup> DAY OF November, 2010.

  
Peter O. Jamison, III  
Securities Commissioner  
State of Delaware

**CONSENT TO ENTRY INTO ADMINISTRATIVE CONSENT ORDER**

The undersigned, Gary L. Woulard, acknowledges that he has been served with a copy of this Administrative Consent Order (the "Order"), has read the Order, is aware of his right to a hearing and appeal in connection with the matter referenced therein, and has waived the same.

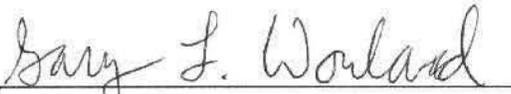
The undersigned, Gary L. Woulard, further admits the jurisdiction of the Commissioner; denies the Findings of Fact and Conclusions of Law contained in the Order; but nonetheless consents to the entry of this Order by the Commissioner as a full resolution and settlement of the issues contained in this Order.

The undersigned, Gary L. Woulard, acknowledges and affirms that no promise or inducement of any nature was made to him to induce him to enter into this Order and that he has entered into the Order voluntarily.

In the event that Gary L. Woulard defaults on any payment obligation as set forth in the Order:

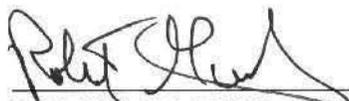
THE UNDERSIGNED HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR CLERK OF ANY COURT OF RECORD IN THE UNITED STATES TO APPEAR FOR AND, WITH OR WITHOUT DECLARATION FILED, CONFESS JUDGMENT AGAINST THE UNDERSIGNED IN FAVOR OF \_\_\_\_\_, OR ANY SUCCESSOR OR ASSIGN OF \_\_\_\_\_ OR \_\_\_\_\_, AT ANY TIME, FOR THE FULL OR TOTAL AMOUNT OWED PURSUANT TO THIS ADMINISTRATIVE CONSENT ORDER, TOGETHER WITH ALL INDEBTEDNESS PROVIDED FOR THEREIN, WITH COSTS OF SUIT, AND THE UNDERSIGN EXPRESSLY RELEASES ALL ERRORS.

Dated: November 1, 2010

  
\_\_\_\_\_  
Gary L. Woulard

SWORN TO AND SUBSCRIBED BEFORE ME this 1<sup>th</sup> day of November, 2010.

ROBERT D. GOLDBERG  
ATTORNEY-AT-LAW  
NOTARIAL OFFICER  
PURSUANT TO 29 DEL. CODE § 4323(a)  
PERMANENT APPOINTMENT

  
\_\_\_\_\_  
NOTARY PUBLIC