

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING) Order No.: S-19-2774-19-SC01
5 Whether there has been a violation of the)
6 Securities Act of Washington by:) STATEMENT OF CHARGES AND NOTICE OF INTENT
7 Full_Tilton Ventures LLC,) TO ENTER ORDER TO CEASE AND DESIST, TO IMPOSE
8 Roger Henry Tilton,) A FINE, AND TO CHARGE COSTS
9 Respondents)
10)

11 THE STATE OF WASHINGTON TO: Full_Tilton Ventures LLC
12 Roger Henry Tilton

13 **STATEMENT OF CHARGES**

14 Please take notice that the Securities Administrator of the state of Washington has reason to believe that
15 Respondents, Full_Tilton Ventures LLC and Roger Henry Tilton, have each violated the Securities Act of
16 Washington. The Securities Administrator believes these violations justify the entry of an order against the
17 respondents to cease and desist from such violations and to charge costs pursuant to RCW 21.20.390, and to impose a
18 fine under RCW 21.20.395. The Securities Administrator finds as follows:

19 **TENTATIVE FINDINGS OF FACT**

20 **Respondents**

21 1. Full_Tilton Ventures LLC (“FTV”) is a Delaware limited liability company that was formed on April
22 20, 2017, with its principal place of business in Milford, New Hampshire and/or Seattle, Washington. FTV ceased to
23 be in good standing on June 1, 2018. During 2016, Tilton represented to at least one Washington investor that FTV,
24 which was not yet formed, would be providing support functions to the cannabis industry.

25 2. Roger Henry Tilton (“Tilton”) was the managing member of FTV. Tilton resides in New Hampshire,
but he met with at least one Washington investor in the state of Washington to solicit an investment in FTV. From
1989 until April 21, 2016, Tilton was a licensed securities salesperson and/or a registered investment adviser
representative in Washington and in other states.

Investment Offering to a Washington Investor

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3. During 2016, Tilton solicited at least one Washington investor, a married couple (husband and wife), to invest in FTV. At that time, the husband was undergoing cancer treatments. Tilton knew that the husband was going through cancer. Because Tilton had been the couples' registered investment adviser for more than twenty years, the couple trusted him to recommend a suitable investment. Tilton met with the wife at a coffee shop in Monroe, Washington. Tilton falsely told the wife that Tilton was offering a good investment and that the couple could not lose their money. Tilton explained that he needed funds to start a new company to provide services to cannabis businesses. Tilton falsely told the wife that if she invested \$25,000, the investment would be worth \$30,000 because the couple would be an "original investor." Tilton told the wife that to qualify as an original investor, Tilton needed to have the money by no later than November 1, 2016. On October 27, 2016, the wife gave Tilton a \$25,000 check for the investment. The check was made payable to Roger Tilton dba Full Tilton Ventures.

Subsequent Communications with the Washington Investor

4. Tilton sent the Washington investor a letter dated January 10, 2017. The letter, written on FTV letterhead and signed by Tilton as Founder/Director, stated that "Your \$25,000 investment translates (with a 20% bonus) to a \$30,000 stake in our new company." The letter stated that the "necessary funds" to launch the company have already been raised from you and other investors. The letter closed by stating, "Not only will this be a fun adventure, I think we're going to make a lot of money together!"

5. Before they invested, Tilton told the wife that the Washington couple would receive statements for their investment, but the couple received only sporadic account statements. They received a statement dated September 30, 2017 (which was a Saturday) and a statement dated December 31, 2017 (which was a Sunday), but no statements during 2018. Their last statement was dated June 30, 2019, which was a Sunday. Each of the statements was issued by FTV, which listed an address of 215 2nd Avenue S., Seattle, WA 98104. The statements each referenced an eight-digit "Equity Acct. #." Each statement listed an investment value of \$30,000. Each statement also included the phrase, "Thank You For Your Trust."

1 history of the persons and the company that was to manage the investment and failed to provide any financial
2 statements for the company. Tilton failed to disclose any reasonable basis for his second investment “opportunity”
3 of \$40,000,000 and the projected revenues of \$500,000 for 2018. Tilton failed to disclose that acwg holdings, llc:
4 (access cannabis world group) was never formed as a limited liability company. Tilton and FTV each failed to
5 disclose that investors could lose the entire amount of their investment.

6 **Failure to Respond to Securities Division Warning Letter**

7 9. On October 2, 2019, a Securities Division warning letter was delivered to Tilton’s last known address
8 in New Hampshire. The warning letter asked for follow-up information, including an identification of all of the
9 investors and information about the use of investor funds. Tilton was to respond by no later than October 25, 2019.
10 Tilton failed to respond to the warning letter.

11 **Registration Status**

12 10. Respondent FTV is not currently registered to sell its securities in the state of Washington and has not
13 previously been so registered.

14 11. Respondent Tilton has not been registered to sell securities in the state of Washington since April 21,
15 2016.

16 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

17 **CONCLUSIONS OF LAW**

18 1. The offer or sale of the investments described above constitutes the offer and/or sale of a security as
19 defined in RCW 21.20.005(14) and (17).

20 2. The offer and/or sale of Full_Tilton Ventures LLC securities is in violation of RCW 21.20.140
21 because, as set forth in the Tentative Findings of Fact, no registration for such an offer and/or sale is on file with the
22 Securities Administrator, state of Washington.

23 3. Roger Henry Tilton has violated RCW 21.20.040 because, as set forth in the Tentative Findings of
24 Fact, Respondent Tilton offered and sold securities while not being registered as a securities salesperson or broker-
25 dealer in the state of Washington.

1 4. Roger Henry Tilton and Full_Tilton Ventures LLC have each violated RCW 21.20.010 because, as
2 set forth in the Tentative Findings of Fact, Respondents each made untrue statements of material fact and/or omitted
3 to state material facts necessary to make the statements made, in light of the circumstances under which they were
4 made, not misleading.

5 **NOTICE OF INTENT TO ORDER RESPONDENTS TO CEASE AND DESIST**

6 Pursuant to RCW 21.20.390(1) and based upon the above Tentative Findings of Fact and Conclusions of Law,
7 the Securities Administrator intends to order that Respondents Full_Tilton Ventures LLC and Roger Henry Tilton,
8 their agents, and their employees shall each cease and desist from violations of RCW 21.20.010, RCW 21.20.040, and
9 RCW 21.20.140.

10 **NOTICE OF INTENT TO IMPOSE A FINE**

11 Pursuant to RCW 21.20.395, and based upon the above Tentative Findings of Fact and Conclusions of Law,
12 the Securities Administrator intends to order that Respondent Roger Henry Tilton shall be liable for and shall pay a
13 fine of \$20,000.

14 **NOTICE OF INTENT TO CHARGE COSTS**

15 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law, the
16 Securities Administrator intends to order that Respondent Roger Henry Tilton shall be liable for and shall pay the
17 costs, fees, and other expenses incurred in the administrative investigation and hearing of this matter, in an amount
18 not less than \$5,000.

19 **AUTHORITY AND PROCEDURE**

20 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to the
21 provisions of Chapter 34.05 RCW. Respondents Full_Tilton Ventures LLC and Roger Henry Tilton may each make a
22 written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY
23 FOR HEARING accompanying this Order. If a respondent does not make a hearing request in the time allowed, the
24 Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and to
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1 enter a permanent order to cease and desist as to that respondent, to impose any fines sought against that respondent,
2 and to charge any costs sought against that respondent.

3 Signed and Entered this 22nd day of November, 2019

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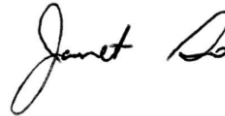
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8 William M. Beatty
Securities Administrator

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10 Approved by:

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13 Suzanne E. Sarason
Chief of Enforcement

10 Presented by:

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13 Janet So
Financial Legal Examiner

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15 Reviewed by:

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18 Brian J. Guerard
Financial Legal Examiner Supervisor