



**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SECURITIES DIVISION**

In the Matter of:

**THOMAS WARREN INVESTMENTS,
INC., and
THOMAS VERNON WARREN,**

Respondents.

Case No 24-03-23

FINAL ORDER TO CEASE AND DESIST

I. PROCEDURAL HISTORY

1. On June 12th, 2024, the Acting Director, Benjamin R. Schrope, (the “Director”) of the New Mexico Securities Division (the “Division”) issued a Preliminary Order to Cease and Desist and Notice of Right to Hearing to Respondents, Thomas Warren Investments, Inc. (“TWI”) and Thomas Vernon Warren (“Warren”), a copy of which is attached hereto as **Exhibit 1**.
2. The Preliminary Order to Cease and Desist and Notice of Right to Hearing advised the Respondent that they had 15 days from the date of receipt to request a hearing on the allegations contained herein.
3. On June 13, 2024, Warren was served with a copy of the Preliminary Order to Cease and Desist and Notice of Right to Hearing via hand delivery by Special Agent Supervisor Greg Stover of the New Mexico Securities Division at his place of business, Thomas Warren Investments, Inc., 209 West 3rd Street, Roswell, NM 88201. A copy of the Affidavit of Compliance is attached hereto as **Exhibit 2**.

II. FINDINGS OF FACT

4. The Respondents were served pursuant to NMSA 1978, § 58-13C-611(C) on June 13th, 2024.

III. CONCLUSIONS OF LAW

5. Thomas Warren has not requested a hearing within the 15-days after receiving the Notice of Contemplated Action to Revoke Registration as required by NMSA 1978, § 58-13C-604(B)(2).

IV. ORDER

Therefore, pursuant to NMSA § 58-13C-604(B), the Director hereby affirms all findings and orders in the Preliminary Order to Cease and Desist and Notice of Right to Hearing issued on June 13, 2024, become final and incorporated in its entirety herein as part of this Final Order.

YOU ARE HEREBY NOTIFIED that, pursuant to NMSA 1978, § 58-13C-609, you may seek judicial review of this Final Order by filing a notice of appeal with the appropriate district court within thirty (30) days in accordance with the provisions of NMSA, 1978 § 39-3-1.1.

ENTERED AT Santa Fe, New Mexico this 9th day of July 2024.



/s/ Benjamin R. Schrope

Benjamin R. Schrope

Acting Director

New Mexico Securities Division



STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SECURITIES DIVISION

In the Matter of:	)	
	)	Case No.: 24-03-23
THOMAS WARREN INVESTMENTS,	)	
INC., and	)	PRELIMINARY ORDER TO CEASE
THOMAS VERNON WARREN,	)	AND DESIST AND NOTICE OF RIGHT
	)	TO HEARING
Respondents.	)	

PRELIMINARY ORDER TO CEASE AND DESIST
AND NOTICE OF RIGHT TO HEARING

I. STATEMENT OF APPLICABLE STATUTORY LAW

Pursuant to the authority granted by the New Mexico Uniform Securities Act, (the "Act") NMSA 1978, § 58-13C-604, the Acting Director (the "Director") of the New Mexico Regulation and Licensing Department, Securities Division (the "Division") has determined that the Respondents, Thomas Warren Investments, Inc. ("TWI") and Thomas Vernon Warren ("Warren") (herein collectively referred to as the "Respondents") have engaged in, or are about to engage in, an act, practice, or course of business that constitutes a violation of the Act, or a rule adopted or order issued pursuant to the Act.

II. RESPONDENTS

TWI

1. TWI is registered with the New Mexico Secretary of State under the entity name "THOMAS WARREN INVESTMENTS INC" as a for-profit, domestic corporation, incorporated in New Mexico on November 14, 2023.
2. TWI's principal place of business and mailing address is 209 W 3rd Street, Roswell, NM 88201.
3. New Mexico Secretary of State corporate records identify TWI's business purpose as "Investment Holding Company."

4. TWI is not registered with the Financial Industry Regulatory Authority (FINRA) as a broker-dealer or investment advisor.

5. TWI is not registered with the Division as a broker-dealer or investment advisor.

6. No Securities issued by or on behalf of TWI are registered with the Division, the U.S. Securities and Exchange Commission, or qualify for any known registration exemptions.

WARREN

7. Warren is the registered agent, incorporator, president, and director of TWI.

8. New Mexico Secretary of State corporate records identify Warren's physical address as 209 W 3rd Street, Roswell, New Mexico 88201.

9. At some point in time, Warren had registered with FINRA, and was assigned the CRD# 7018401.

10. Warren is currently not registered with FINRA as a broker-dealer agent, investment advisor, or investment advisor representative.

11. Warren is currently not registered with the Division as a broker-dealer agent, investment advisor, or investment advisor representative.

III. GENERAL ALLEGATIONS

12. On or about March 22, 2024, the Division received a referral from the New Mexico Regulation & Licensing Department, Financial Institutions Division ("FID") regarding a printed advertisement (the "TWI Ad") in the Roswell Daily Record newspaper (the "RDR") published on or about March 22, 2024. The TWI Ad states "Thomas Warren Investments, Inc. 209 W. 3rd Street Roswell, NM 88201, (575) 361-1128, Introductory Offer! Six month CD/PN paying 9% APR."

13. On or about May 1, 2024, Division Supervising Special Agent Gregory Stover ("SA Stover") went to the RDR office at 2301 North Main Street, Roswell, NM 88201 and obtained a copy of the newspaper that was published on March 22, 2024. The copy contained the TWI Ad described in the previous paragraph.

14. TWI has been advertising in the RDR on a weekly "Business Review" page since on or about November 8, 2023.

15. As of May 1, 2024, TWI's address at 209 West 3rd Street, Roswell, NM contained a window covering on the office glass facing the sidewalk advertising "Accounting, Bookkeeping, Consulting, Financial Planning, Tax Preparation, and Investing."

16. A storefront displaying the name M & M Coin is located at 207 West 3rd Street, Roswell, NM 88201. M & M Coin's physical location is immediately adjacent to TWI.

17. As of May 1, 2024, M & M Coin's location contained a window covering on the glass facing the sidewalk advertising "M & M Coin since 1976, 575-622-4751, By Appointment Only, Bullion, Collectables, Coins, Estate Appraisals, Gold, Silver, Supplies."

18. Warren applied for and was issued a commercial business license to operate M & M Coin in the City of Roswell on or about November 14, 2022 (License Number COMM-000928-2022). The purpose of the business as noted on Warren's license application is "retail sales – coin & bullion gold & silver."

19. As of June 11, 2024, New Mexico Secretary of State corporate records show another business, T & C Bookkeeping and Consulting Inc., located at 209 W 3rd Street, Roswell, NM 88201. Warren is identified as the registered agent, director, principal accounting officer and incorporator.

20. On or about June 3, 2009, Warren accepted service of an Administrative Order from the Alabama Securities Commission (the "Alabama Order") ordering Warren and Little River Investments ("LRI") to cease and desist further offers or sales of any security into, within or from the state of Alabama¹. See Alabama Securities Commission, Administrative Order No. CD-2009-0013, June 2, 2009.

21. On or about May 10, 2024, Special Agent Robert Barr (SA Barr), an agent employed by the Division, telephoned the number provided in the TWI Ad: (575) 361-1128. SA Barr called the number in a confidential capacity, and inquired about the TWI Ad's offer. A person answered the call and identified himself as "Tom" at "Warren Investments." The person later said to SA Barr, "My name is Thomas."

22. "Thomas" described the prospective investment to SA Barr. Statements made by "Thomas" include, but are not limited to the following:

- a. The minimum investment is \$5,000 and the maximum is "whatever your pocketbook will fold."
- b. TWI will "fill out" a "little promissory note...explaining...how much you're putting in. You'll get anywhere from 9-12% APR, kind of depends on the amount invested."
- c. TWI uses "basically a 100% passive investment strategy."
- d. Investors "basically get a predictable monthly income...[TWI] use it to invest

¹ The Alabama Order found that Warren unlawfully acted as an unregistered agent for LRI in the offer or sale of unregistered securities; that LRI unlawfully acted as an unregistered broker-dealer; and that the securities involved were neither registered nor exempt from registration. *Alabama Order*, p. 3. Warren acted as President and CEO of LRI. *Id.*, p. 1. The offered investment at issue provided for a pooling of investor's funds to purchase land, real estate, precious metals, and rare coins. *Id.*, p. 2. The LRI web site represented that an investor could expect a return of 12-24% APR on their investment. *Id.*

in gold and silver.”

- e. Investors’ money is “always backed, either cash, gold, or silver.”
- f. TWI can provide “anywhere from a six-month term to a five-year term.”
- g. Monthly interest can be received in gold or silver if an investor does not want cash.
- h. Earned money can be automatically deposited into an investor’s account each month or provided in gold or silver. Investors “can withdraw at any time...just give [TWI] some notice, or if you happen to be in gold or silver, [TWI] convert it to cash and give your cash back.”

COUNT I

Offer and/or Sale of Unregistered Securities NMSA 1978, § 58-13C-301

23. The allegations contained in Paragraphs 1 through 22 are re-alleged and incorporated as though fully set forth herein.

24. The Act defines “security” as a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas or other mineral rights; put, call, straddle, option or privilege on a security, certificate of deposit or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a “security”; or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of or warrant or right to subscribe to or purchase any of the foregoing. NMSA 1978, § 58-13C-102(DD). “Security” includes an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor. NMSA 1978, § 58-13C-102(DD)(5).

25. Beginning, at least, on or about November 8, 2023 until March 22, 2024, TWI placed an advertisement in the RDR offering a “Six month CD/PN paying 9% APR.” Based on the context of the TWI add and the representations made to SA Barr pertaining to investing with TWI, “CD” refers to “certificates of deposit” and “PN” refers to “promissory notes.”

26. On or about May 10, 2024, a representative of TWI identifying himself as “Thomas” stated TWI issues promissory notes to investors with an annual interest rate of 9-12% depending on the amount invested. The representative provided additional details regarding terms and returns of prospective investments with TWI.

27. Promissory Notes are securities pursuant to the Act. NMSA 1978, § 58-13C-102.

28. Investment contracts are securities pursuant to the Act. NMSA 1978, § 58-13C-102.

29. It is unlawful for a person to offer or sell a security in New Mexico unless the security is registered or exempt from registration pursuant to the Act. NMSA 1978, § 58-13C-301.

30. No security issued by or on behalf of TWI is currently, or has ever been, registered or exempt from registration pursuant to the Act.

COUNT II

Offer and/or Sale of Securities by Unregistered Broker-Dealers NMSA 1978, § 58-13C-401

31. The allegations contained in Paragraphs 1 through 30 are re-alleged and incorporated as though fully set forth herein.

32. The Act defines a "broker-dealer" as a person engaged in the business of effecting transactions in securities for the account of others or for the person's own account. NMSA 1978, § 58-13C-102(C).

33. It is unlawful for a person to transact business in New Mexico as broker-dealer unless the person is registered pursuant to the Act or exempt from such registration. NMSA 1978, § 58-13C-401.

34. Beginning, at least, on or about November 8, 2023 until March 22, 2024 and again on or about May 10, 2024, TWI transacted business as a broker-dealer in offering securities to potential investors in New Mexico.

35. TWI is not currently, and during all relevant time to this action, was not registered as a broker-dealer pursuant to the Act.

COUNT III

Offer and/or Sale of Securities by Unregistered Agents NMSA 1978, § 58-13C-402

36. The allegations contained in Paragraphs 1 through 35 are re-alleged and incorporated as though fully set forth herein.

37. An "agent" is an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities, unless otherwise excluded by the Act, or rule or order adopted pursuant to the Act. NMSA 1978, § 58-13C-102(A).

38. It is unlawful for an individual to transact business in New Mexico as an agent unless the individual is registered pursuant to the Act or exempt from such registration. NMSA 1978, § 58-13C-402.

39. An individual, that identified himself to SA Barr as Thomas acted as an agent in effecting or attempting to effect a sale or sales of securities on behalf of a broker-dealer, TWI. The only known individual associated with TWI that could use the name Thomas is Thomas Warren.

40. Warren is not currently, and during all times relevant to this action, was not registered, as an agent pursuant to the Act.

IV. CONCLUSIONS OF LAW

41. Respondents have offered to sell unregistered securities in violation of NMSA 1978, §58-13C-301.

42. TWI has transacted business as an unregistered broker-dealer in New Mexico in violation of NMSA 1978, § 58-13C-401.

43. Warren has offered and sold securities as an unregistered agent in violation of NMSA 1978, § 58-13C-402.

V. ORDER

Entry of this Order is in the public interest, appropriate for the protection of investors and consistent with the purposes fairly intended by the policies and provisions of the Act.

IT IS, THEREFORE, ORDER THAT:

Pursuant to NMSA 1978, §58-13C-604 of the Act, Respondents and their agents and employees must cease and desist in selling unregistered securities in New Mexico in violation of NMSA 1978, § 58-13C-301; engaging in the offer and/or sale of securities in New Mexico as an unregistered broker-dealer in violation of NMSA 1978, § 58-13C-401; and engaging in the offer and/or sale of securities in New Mexico as an unregistered agent in violation of NMSA 1978, § 58-13C-402.

NOTICE OF ADMINISTRATIVE HEARING RIGHTS

Each Respondent is hereby notified of its/his statutory right to request an administrative hearing on the Preliminary Order to Cease and Desist and Notice of Right to Hearing. Administrative hearings are governed by NMSA 1978, § 58-13C-604(B) and 12.11.1.12 NMAC. Respondents have 15 days from the receipt of this notice to file a written request for a hearing. The request may be sent in the U.S. Postal Service, Form 3811, Receipt for Certified Mail, or via email to the Director at benjamin.schrope@state.nm.us. The Director will set the matter for hearing no more than 60 days, and not less than 15 days from receipt of the hearing request. The Director will promptly notify the Respondent(s) of the time and place for hearing. The Director or an appointee will conduct the hearing. The Director or his appointee will pass upon the admissibility of evidence and may exclude evidence that is incompetent, irrelevant,

immaterial or unduly repetitious. As discussed more fully in NMSA 1978, § 58-13C-604(B), any Respondent requesting a hearing is entitled to: appear on its/his own behalf or may be represented by an attorney; present all relevant evidence; to examine all opposing witnesses who appear on any matter relevant to the issues; request and obtain discovery, including the names and addresses of witnesses.

ENTERED AT Santa Fe, New Mexico this 12th day of June, 2024.



Ben A. Schroe
Benjamin Schroe, Acting Director
New Mexico Securities Division

IN THE MATTER OF:)
)
THOMAS WARREN INVESTMENTS,)
INC., and)
THOMAS VERNON WARREN,)
)
RESPONDENTS.)

Filed 6/13/2024
NMSEC
SV

Case No: 23-03-23

AFFIDAVIT OF COMPLIANCE

STATE OF NEW MEXICO)
)
COUNTY OF CHAVES)

New Mexico Regulation and Licensing Department, Securities Division's ("the Division") Special Agent Supervisor Greg Stover ("Affiant"), being duly sworn upon his oath, deposes and says:

1. Service of *Preliminary Order to Cease and Desist and Notice of Right to Hearing* ("Order") in the above captioned case was made on Thomas Vernon Warren ("Warren"), and Thomas Warren Investments, Inc. ("TWI") pursuant to NMSA 1978 § 58-13C-611.

2. On 06/13/24 at approximately 11:20 am, the Affiant personally contacted Warren at his place of business, Thomas Warren Investments, Inc., 209 West 3rd Street, Roswell, NM 88201, and presented him with a copy of the Order along with a business card. Division Special Agent Michael Thompson and New Mexico State Police Officer David O'Kane were also present with the Affiant when Warren received the Order.

SUBSCRIBED AND SWORN TO before me by Greg Stover, on this 13TH day of June 2024, who personally is know to me and appeared before me.

By 
Greg Stover
Special Agent Supervisor


NOTARY PUBLIC

My commission expires: 1/26/25