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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

AUG - 3 2011

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

DOCKETED BY

NR

In the matter of

ATTILA G. TOTH (CRD# 2565633) and
ERIN M. HALL, husband and wife,

Respondents.

DOCKET NO. S-20782A-11-0019

DECISION NO. 72507

**ORDER TO CEASE AND DESIST, FOR
RESTITUTION, FOR REVOCATION, FOR
ADMINISTRATIVE PENALTIES, AND
CONSENT TO SAME**

BY: ATTILA G. TOTH AND ERIN M. HALL

Respondent Attila G. Toth ("Respondent") and Erin M. Hall ("Respondent Spouse") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, For Restitution, For Administrative Penalties, and Consent to Same ("Order"). Respondent and Respondent Spouse admit the jurisdiction of the Arizona Corporation Commission ("Commission"); admit, only for purposes of this proceeding and any other proceeding in which the Commission is a party, the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. For all times relevant, Attila G. Toth ("TOTH") was an Arizona resident.
2. For all times relevant, TOTH conducted business from an office located in Glendale,

Arizona.

1 12. In or around November 2007, Client and TOTH discussed consolidating and/or
2 reallocating Client's various investment and retirement accounts. TOTH suggested centralizing
3 Client's various accounts into a self-directed IRA and a 403(b) money fund.

4 13. A self-directed IRA and a 403(b) money fund were set up for Client by TOTH.

5 14. On or around March 2008, TOTH contacted Client by telephone to solicit from
6 Client a short-term loan in the amount of \$70,000.

7 15. TOTH represented to Client that the \$70,000 would be used to provide a short term
8 loan to a company unrelated to TOTH. The terms of the loan included repayment of principal and
9 payment of interest at a high rate.

10 16. TOTH represented to Client that there would be no tax owed on the \$70,000 that
11 Client would withdraw from the 403(b) money fund account to fund the loan.

12 17. TOTH represented to Client that the loan to the company unrelated to TOTH would
13 have very little to no risk.

14 18. TOTH filled out the paperwork necessary to facilitate the \$70,000 distribution from
15 the 403(b) money fund and sent an unsigned copy to Client. Client signed the distribution
16 paperwork and a distribution request was submitted to the company where the 403(b) money fund
17 account was held.

18 19. On or about March 25, 2008, a distribution was requested from the 403(b) account
19 in the amount of \$70,000. Client's shares of money market funds, symbol FMFXX, were liquidated
20 to meet the distribution request. A total of \$17,500 in federal and state taxes were withheld and a
21 net amount of \$52,500 was disbursed to Client's bank account.

22 20. On or before March 28, 2008, TOTH directed Client to wire the net amount of
23 \$52,500 to a bank account designated by TOTH.

24 21. On or around March 28, 2008, the amount of \$52,500 was transferred into TOTH's
25 personal bank account. TOTH is a signatory on the personal bank account.

26

1 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondent, and any of Respondent's
2 agents, employees, successors and assigns, permanently cease and desist from violating the
3 Securities Act.

4 IT IS FURTHER ORDERED that Respondent and Respondent Spouse comply with the
5 attached Consent to Entry of Order.

6 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 and A.R.S. § 44-1962, that
7 Respondent TOTH, individually, and the marital community of Respondent TOTH and Respondent
8 Spouse, jointly and severally, shall pay restitution to the Commission in the principal amount of
9 \$70,000. Payment is due in full on the date of this Order. Payment shall be made to the "State of
10 Arizona" to be placed in an interest-bearing account controlled by the Commission. Any principal
11 amount outstanding shall accrue interest at the rate of 10 percent per annum from the date of
12 purchase until paid in full. Interest in the amount of \$22,591.78 has accrued from the date of
13 purchase to June 16, 2011.

14 The Commission shall disburse the funds on a pro-rata basis to investors shown on the
15 records of the Commission. Any restitution funds that the Commission cannot disburse because an
16 investor refuses to accept such payment, or any restitution funds that cannot be disbursed to an
17 investor because the investor is deceased and the Commission cannot reasonably identify and
18 locate the deceased investor's spouse or natural children surviving at the time of the distribution,
19 shall be disbursed on a pro-rata basis to the remaining investors shown on the records of the
20 Commission. Any funds that the Commission determines it is unable to or cannot feasibly disburse
21 shall be transferred to the general fund of the state of Arizona.

22 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036 and A.R.S. § 44-1962, that
23 Respondent TOTH, individually, and the marital community of Respondent TOTH and Respondent
24 Spouse, jointly and severally shall, pay an administrative penalty in the amount of \$10,000.
25 Payment is due in full on the date of this Order. Payment shall be made to the "State of Arizona."
26 Any amount outstanding shall accrue interest as allowed by law.

1 IT IS FURTHER ORDERED that payments received by the state of Arizona shall first be
2 applied to the restitution obligation. Upon payment in full of the restitution obligation, payments
3 shall be applied to the penalty obligation.

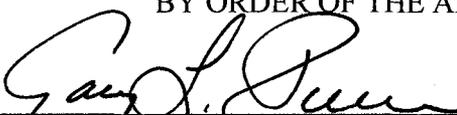
4 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-1962, that Respondent's securities
5 salesman registration is revoked.

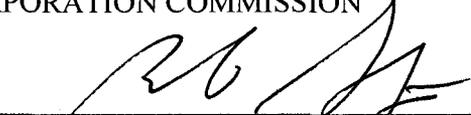
6 For purposes of this Order, a bankruptcy filing by Respondent shall be an act of default. If
7 Respondent does not comply with this Order, any outstanding balance may be deemed in default
8 and shall be immediately due and payable.

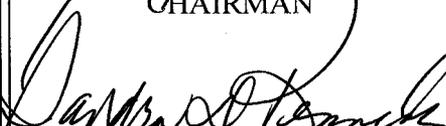
9 IT IS FURTHER ORDERED, that if Respondent fails to comply with this order, the
10 Commission may bring further legal proceedings against Respondent, including application to the
11 superior court for an order of contempt.

12 IT IS FURTHER ORDERED that this Order shall become effective immediately.

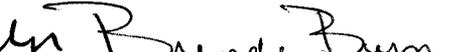
13 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

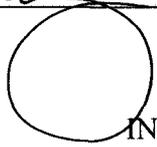
14 
15 CHAIRMAN


16 COMMISSIONER

17 
18 COMMISSIONER


19 COMMISSIONER


20 COMMISSIONER



21 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
22 Executive Director of the Arizona Corporation Commission,
23 have hereunto set my hand and caused the official seal of the
24 Commission to be affixed at the Capitol, in the City of
25 Phoenix, this 3rd day of August, 2011.

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ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

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DISSENT

DISSENT

This document is available in alternative formats by contacting Shaylin A. Bernal, ADA Coordinator, voice phone number 602-542-3931, e-mail sabernal@azcc.gov.

(PTH)

CONSENT TO ENTRY OF ORDER

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1. Attila G. Toth (“TOTH” or “Respondent”) and Erin M. Hall (“Respondent Spouse”), admit the jurisdiction of the Commission over the subject matter of this proceeding. Respondent and Respondent Spouse acknowledge that they have been fully advised of their rights to a hearing to present evidence and call witnesses and they knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent and Respondent Spouse acknowledge that this Order to Cease and Desist, For Restitution, For Revocation, For Administrative Penalties, and Consent to Same (“Order”) constitutes a valid final order of the Commission.

2. Respondent and Respondent Spouse knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

3. Respondent and Respondent Spouse acknowledge and agree that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondent and Respondent Spouse understand and acknowledge that they have a right to seek counsel regarding this Order, and that Respondent and Respondent Spouse have had the opportunity to seek counsel prior to signing this Order. Respondent and Respondent Spouse acknowledge and agree that, despite the foregoing, they freely and voluntarily waive any and all right to consult or obtain counsel prior to signing this Order.

5. Respondent and Respondent Spouse admit, only for purposes of this proceeding and any other proceeding in which the Commission is a party, the Findings of Fact and Conclusions of Law contained in this Order. Respondent and Respondent Spouse agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law contained in this Order in any present or future proceeding in which the Commission or any other state agency is a party concerning the

1 denial or issuance of any license or registration required by the state to engage in the practice of
2 any business or profession.

3 6. By consenting to the entry of this Order, Respondent and Respondent Spouse agree
4 not to take any action or to make, or permit to be made, any public statement denying, directly or
5 indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that
6 this Order is without factual basis. Respondent will undertake steps necessary to assure that all of
7 their agents and employees understand and comply with this agreement.

8 7. While this Order settles this administrative matter between Respondent, Respondent
9 Spouse, and the Commission, Respondent and Respondent Spouse understand that this Order does
10 not preclude the Commission from instituting other administrative or civil proceedings based on
11 violations that are not addressed by this Order.

12 8. Respondent and Respondent Spouse understand that this Order does not preclude the
13 Commission from referring this matter to any governmental agency for administrative, civil, or
14 criminal proceedings that may be related to the matters addressed by this Order.

15 9. Respondent and Respondent Spouse understand that this Order does not preclude
16 any other agency or officer of the state of Arizona or its subdivisions from instituting
17 administrative, civil, or criminal proceedings that may be related to matters addressed by this
18 Order.

19 10. Respondent agrees that Respondent will not apply to the state of Arizona for
20 registration as a securities dealer or salesman or for licensure as an investment adviser or
21 investment adviser representative until such time as all restitution and penalties under this Order are
22 paid in full.

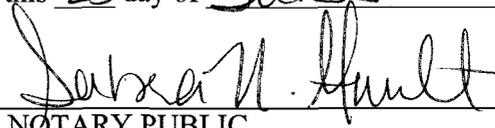
23 11. Respondent agrees that Respondent will not exercise any control over any entity that
24 offers or sells securities or provides investment advisory services within or from Arizona until such
25 time as all restitution and penalties under this Order are paid in full.
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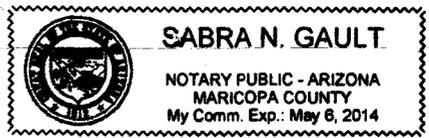
STATE OF ARIZONA)
) ss
County of)


Erin M. Hall

SUBSCRIBED AND SWORN TO BEFORE me this 23 day of June, 2011.


NOTARY PUBLIC

My commission expires:
5.6.14



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SERVICE LIST FOR:

Attila G. Toth, Docket No. S-20782A-11-0019

Attila G. Toth
25913 N. 49th Lane
Phoenix, Arizona 85310

Erin M. Hall
25913 N. 49th Lane
Phoenix, Arizona 85310