



RECEIVED

APR 02 2026

TN DEPT OF COMMERCE & INSURANCE
REGULATORY BOARDS LEGAL DIVISION

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE SECURITIES DIVISION,)
)
Petitioner,)
)
v.)
)
Perry C. Santillo Jr.)
In his individual capacity)
)
and Perry C. Santillo Jr. d/b/a)
Lucian Development, LLC, and)
)
First Nationle Solutions LLC)
)
Respondents.)

MATTER No.: _____

CONSENT ORDER

The Securities Division of the Tennessee Department of Commerce and Insurance ("Division") and Perry C. Santillo Jr ("Respondent") and Lucian Development, LLC, ("Respondent Lucian") and First Nationle Solutions LLC, ("Respondent FNS") and collectively together, ("Respondents"), agree to the entry and execution of this Consent Order in -accordance with Tennessee Code Annotated ("Tenn. Code Ann.") § 48-1-116 of the Tennessee Securities Act of 1980 ("Act"), as amended, and Tenn. Code Ann. § 48-1-101 to 48-1-201, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance ("Commissioner").

AUTHORITY AND JURISDICTION

1. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the

administration of the Act is vested in the Commissioner. The Securities Division is the lawful agent through which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

2. Tenn. Code Ann. § 48-1-116 sets forth that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

PARTIES

3. The Commissioner administers the Act through the Securities Division and authorizes the Securities Division to bring this action for the protection of the public.

4. Respondent Santillo is a resident of New York.

5. Respondent Santillo was previously registered in New York with CRD number 4623850.

6. Respondent Santillo is not and has never registered with the Commissioner in any capacity as a broker-dealer, agent, investment adviser, or investment adviser representative, nor provided sufficient evidence of an applicable exemption pursuant to Tenn. Code Ann. §48-1-109.

7. None of the limited liability corporations of Respondent Santillo were ever registered with the Commissioner to issue securities, nor as a broker-dealer or investment advisor.

8. At all relevant times, whether acting alone or in concert with others, Respondent Santillo was deeply involved in the formulation, control, management, and direction of Respondent Lucian and Respondent FNS. In connection with the facts stated here, Respondent Santillo transacts or has transacted business in the state of Tennessee.

9. Respondent Lucian is a company wholly owned by Respondent Santillo and is no longer active.

10. Respondent FNS is a company wholly owned by Respondent Santillo and is no longer active.

11. The Division is the lawful agent through which the Commissioner discharges the administration of the Act pursuant to Tenn. Code Ann. § 48-1-115.

GENERAL STIPULATIONS

12. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.

13. It is expressly understood that this Consent Order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

14. This Consent Order is executed by the Commissioner, the Division, and the Respondents to avoid further administrative action with respect to this cause. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

15. The Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts and/or omissions not specifically addressed in this Consent Order nor for facts and/or omissions that do not arise from the facts or transactions herein.

16. The Respondents fully understand that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for acts or omissions addressed specifically in this Consent Order, violations of law under statutes, rules, or regulations of the State of Tennessee that arise out of the facts, acts, or omissions contained in this Consent Order, or acts or omissions addressed specifically herein that result from the execution of this Consent Order.

17. The Respondents waive all further procedural steps and waive all rights to seek judicial review of, or otherwise challenge the validity of this Consent Order, the stipulations and imposition of discipline contained herein, or the consideration and entry and execution of this Consent Order by the Commissioner.

18. This Consent Order is submitted on the condition that, if accepted, the Commissioner will not bring any future actions against the Respondents alleging violations based on the same factual findings described herein.

FINDINGS OF FACT

19. On June 19, 2018, the Securities and Exchange Commission filed criminal charges against Respondent Santillo for his participation in a \$102 million Ponzi scheme.

20. On June 21, 2018, the Division received a complaint from Francene R. Schrock Brumback alleging that she invested one hundred ninety-four thousand six hundred dollars (\$194,600) with Respondent Santillo. The complaint stated that when the investment matured, and she wanted to switch brokers, Respondent Santillo would not return her calls.

21. On October 3, 2018, the Division received a complaint from Martha Leonard stating that she invested thirty-eight thousand dollars (\$38,000) with Respondent Santillo. In August 2017, after not receiving an interest payment owed on her investment, she began

attempting to contact Respondent Santillo; however, she was unable to reach anyone regarding the situation.

22. As a result, the Division initiated Order of Investigation 2018-0023 regarding Respondent Santillo's conduct on November 1, 2018.

23. FSIU's investigation revealed that Respondent Santillo was charged with multiple felony crimes related to securities violations.

24. Respondent Santillo is the owner of Respondent FNS and Respondent Lucian.

25. On October 7, 2019, the United States Department of Justice announced that Respondent Santillo pled guilty to conspiracy to commit mail fraud, mail fraud, and conspiracy to launder money in the United States District Court for the Western District of New York. He was sentenced to 210 months in prison.

26. On November 4, 2019, the United States Attorney's Office for the Middle District of Pennsylvania announced that Respondent Santillo pled guilty to mail fraud. He was sentenced to 20 years of incarceration.

27. Respondent Santillo is currently housed at the Federal Correctional Institution in Ashland, Kentucky, until December 10, 2035.

CONCLUSIONS OF LAW

28. Pursuant to Tenn. Code Ann. § 48-1-112(h), the commissioner may bar or censure a registrant or an officer, director, partner, or other person occupying a similar status or performing similar functions for a registrant, or restrict, condition, or limit a registrant as to a function or activity of the business for which registration is required in this state.

29. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Act is vested in the Commissioner. The Division is the lawful agent through

which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

30. Tenn. Code Ann. § 48-1-116 provides that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

31. Tenn. Code. Ann. § 48-1-104 (a) provides, in relevant part, that:

- (a) It is unlawful for any person to sell any security in this state unless:
 - (1) It is registered under this part;
 - (2) The security or transaction is exempted under § 48-1-103; or
 - (3) The security is a covered security.

32. Tenn. Code. Ann. § 48-1-109 (a) provides, in relevant part, that:

- (a) It is unlawful for any person to transact business from, in, or into this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part, except that:
 - (1) A bank shall be exempt from registration as a broker-dealer to the extent its activities are excepted under either the definition of "broker" in § 3(a)(4)(B) of the Securities Exchange Act of 1934 (15 U.S.C. § 78c(a)(4)(B)), or the definition of "dealer" in § 3(a)(5)(C) of the Securities Exchange Act of 1934 (15 U.S.C. § 78c(a)(5)(C));
 - (2) A person who limits such person's activity as a broker-dealer to acting solely as a broker-dealer with regard to charitable gift annuities, as that term is defined by § 56-52-102, shall be exempt from registration as a broker-dealer;
 - (3) A person who limits such person's activity as an agent to acting solely as an agent on behalf of a person who is eligible for the exemption from broker-dealer registration in subdivision (a)(2) shall be exempt from registration as an agent.

33. Tenn. Code. Ann. § 48-1-121(a)

- (a) It is unlawful for any person, in connection with the offer, sale or purchase of any security in this state, directly or indirectly, to:
 - (1) Employ any device, scheme, or artifice to defraud;
 - (2) Make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or

(3) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

34. Respondent Santillo, by selling unregistered securities which were not exempt from registration in Tennessee, is in violation of Tenn. Code Ann. §48-1-104(a).
35. Respondent Santillo, by being unregistered and transacting business from or in this state as a broker-dealer or agent without proper registration under this part, is in violation of Tenn. Code Ann. §48-1-109(a).
36. Respondent Santillo, by participating in felony conspiracy to commit mail fraud and conspiracy to launder money in multiple states, is in violation of Tenn. Code Ann. §48-1-121(a)(3).
37. Respondent Santillo, by participating in mail fraud and money laundering in a multistate Ponzi scheme, is in violation of Tenn. Code Ann. §48-1-121(a)(1).
38. Respondent Santillo, by taking funds of individuals in Tennessee as part of the ongoing Ponzi scheme, is in violation of Tenn. Code Ann. § 48-1-121(a)(3).
39. Respondent Lucian, by selling unregistered securities which were not exempt from registration in Tennessee, is in violation of Tenn. Code Ann. §48-1-104(a).
40. Respondent Lucian, by being unregistered and transacting business from or in this state as a broker-dealer or agent without proper registration under this part, is in violation of Tenn. Code Ann. §48-1-109(a).
41. Respondent Lucian, by participating in felony conspiracy to commit mail fraud and conspiracy to launder money in multiple states, is in violation of Tenn. Code Ann. §48-1-121(a)(3).
42. Respondent Lucian, by participating in mail fraud and money laundering in a multistate Ponzi scheme, is in violation of Tenn. Code Ann. §48-1-121(a)(1).
43. Respondent Lucian, by taking funds of individuals in Tennessee as part of the ongoing Ponzi scheme, is in violation of Tenn. Code Ann. § 48-1-121(a)(3).
44. Respondent FNS, by selling unregistered securities which were not exempt from registration in Tennessee, is in violation of Tenn. Code Ann. §48-1-104(a).
45. Respondent FNS, by being unregistered and transacting business from or in this state as a broker-dealer or agent without proper registration under this part, is in violation of Tenn. Code Ann. §48-1-109(a).

46. Respondent FNS, by participating in felony conspiracy to commit mail fraud and conspiracy to launder money in multiple states, is in violation of Tenn. Code Ann. §48-1-121(a)(3).
47. Respondent FNS, by participating in mail fraud and money laundering in a multistate Ponzi scheme, is in violation of Tenn. Code Ann. §48-1-121(a)(1).
48. Respondent FNS, by taking funds of individuals in Tennessee as part of the ongoing Ponzi scheme, is in violation of Tenn. Code Ann. § 48-1-121(a)(3).
49. Respondents' conduct provides sufficient grounds for them to be barred from engaging in any function or activity of the securities business for which registration is required in this state, pursuant to Tenn. Code Ann. § 48-1-112(h).
50. The Commissioner finds the following relief appropriate, in the public interest, and necessary for the protection of investors.

ORDER

NOW, THEREFORE, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that, and the Respondents agree to, the entry and execution of this Consent Order to settle this matter as evidenced by the Respondents' signature.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 48-1-116(a), that the Respondents shall:

1. **COMPLY** with the Act, as amended, and all rules promulgated thereunder; and
2. The Respondents shall **CEASE AND DESIST** from any activities requiring registration under Tenn. Code Ann. §48-1-104(a).
3. Respondents shall **CEASE AND DESIST** from any activities that involve or use any device, scheme, or artifice to defraud under Tenn. Code Ann. §48-1-121(a).
4. The Respondents shall be **PERMANENTLY BARRED** from the securities industry in this state, under Tenn. Code Ann. §48-1-114(h).

5. This Consent Order represents the complete and final resolution of, and discharge with respect to all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondent for violations of the Law alleged by or currently known by the Division to have occurred with respect to the transactions involving the above-referenced facts contained herein.

6. The Respondents' failure to comply with the terms of this Consent Order, shall result in further administrative disciplinary actions, which may include the assessment of additional civil penalties.

7. This Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondents for violations of the Act with respect to the transactions involved in the above-referenced facts. However, excluded from and not covered by this paragraph are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

8. This Consent Order is in the public interest and the best interests of the Parties. It represents a settlement of the controversy between the Parties and is for settlement purposes only. By the signatures affixed below, or in two (2) or more counterparts, the Respondents affirmatively state the following: the Respondents freely agree to the entry and execution of the Consent Order; the Respondents waive the right to a hearing on, or a review of, the matters, the Findings of Fact, and the Conclusions of Law underlying this Consent Order or the enforcement of this Consent Order; and the Respondents encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

9. By signing this Consent Order, the Commissioner, the Division, and the Respondents affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement as set forth in this Consent Order, are binding upon them. This Consent Order may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or other electronic copies shall be deemed to constitute duplicate originals.

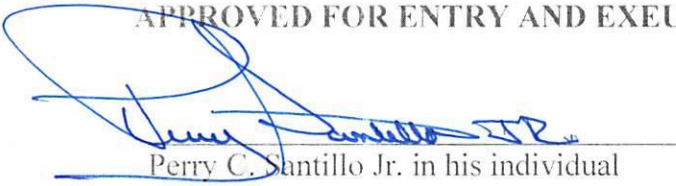
ENTERED AND EXECUTED April 20, 2026.



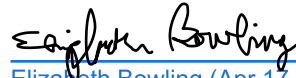
Carter Lawrence (Apr 20, 2026 08:37:42 CDT)

Carter Lawrence, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY AND EXECUTION:



Perry C. Santillo Jr. in his individual
Capacity, Respondent Santillo,
and
d/b/a Lucian Development, LLC,
Respondent Lucian, and
First Nationle Solutions, LLC,
Respondent FNS



Elizabeth Bowling (Apr 17, 2026 09:24:52 CDT)

Elizabeth Bowling
Assistant Commissioner for Securities
Department of Commerce and Insurance



Courtney A. Smith (Apr 14, 2026 10:31:52 CDT)

Courtney Smith, BPR #032367
Associate General Counsel
500 James Robertson Parkway
Davy Crockett Tower
Nashville, TN 37243
(615) 253-9910
courtney.anne.smith@tn.gov