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STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:  
  
SOUTHERN TRUST SECURITIES,  
INC. (CRD #103781) AND  
SUSAN ESCOBIO (CRD #1062322),  
  
Respondents.

Case No. S-19-0080  
  
FINAL ORDER TO CEASE AND  
DESIST, FINAL ORDER  
ASSESSING CIVIL PENALTIES,  
AND CONSENT TO ENTRY OF  
ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ( "the Director"), acting in accordance with the Oregon Securities Law, Oregon Revised Statutes ("ORS") 59.005 to 59.451, 59.991 and 59.995, and Oregon Administrative Rules ("OAR") chapter 441, has investigated the securities business activities of Southern Trust Securities, Inc. and Susan Escobio (collectively, "Respondents").

Respondents wish to resolve this matter with the Director.

Now therefore, as evidenced by the signatures subscribed herein, Respondents hereby CONSENT to the entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Southern Trust Securities, Inc. ("Southern Trust") is a broker-dealer with a principal place of business in Miami, Florida. The Central Registration Depository ("CRD") number for Southern Trust is #103781.

2. Susan Escobio ("Escobio") is the president and chief compliance officer of

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 Southern Trust. The CRD number for Escobio is #1062322.

2 3. From March 2017 through April 2018, Southern Trust transacted business in  
3 Oregon as a broker-dealer by effecting 34 transactions in securities for the account of an  
4 investor (“ER”) residing in Hillsboro, Oregon.

5 4. From March 2017 through April 2018, Escobio represented a broker-dealer,  
6 Southern Trust, in effecting 34 transactions in securities for the account of “ER”.

7 5. At all times material to this Order, Southern Trust was not licensed in Oregon  
8 as a broker-dealer.

9 6. At all times material to this Order, Escobio was not licensed in Oregon as a  
10 securities salesperson to work for Southern Trust.

11 7. Southern Trust applied to the Oregon Division of Financial Regulation (“the  
12 Division”) for a license as a broker-dealer on or about December 6, 2018.

13 8. Escobio applied to the Division for a license as a securities salesperson on  
14 April 1, 2019.

15 9. The Division approved Southern Trust, and a salesperson for Southern Trust,  
16 for broker-dealer and salesperson licenses in Oregon on October 1, 2019.

17 10. A search of the Division’s records shows no history of prior enforcement  
18 action taken by the Division against Southern Trust or Escobio, and no investor  
19 complaint was filed with the Division in this case.

## 21 CONCLUSIONS OF LAW

22 The Director CONCLUDES that:

23 11. Southern Trust transacted business in Oregon as a “broker-dealer” as defined  
24 by ORS 59.015(1), by effecting transactions in securities for the account of an Oregon  
25 resident.

26 12. Escobio acted as an “salesperson” of Southern Trust in Oregon, as defined by

1 ORS 59.015(18)(a).

2 13. Southern Trust transacted business in Oregon in 34 instances as a broker-  
3 dealer without a license under the Oregon Securities Law, in violation of ORS 59.165(1).

4 14. Escobio transacted business in Oregon in 34 instances as a salesperson  
5 without a license, in violation of ORS 59.165(1).

6 15. Southern Trust employed an unlicensed salesperson, Esobio, to act in Oregon,  
7 in violation of ORS 59.165(3).

8  
9 **ORDERS**

10 The Director issues the following ORDERS:

11 16. In accordance with ORS 59.245(4), Southern Trust, and any and all agents,  
12 authorized representatives, and entities owned or controlled by Southern Trust, their  
13 successors and assigns, are hereby ORDERED to CEASE AND DESIST from employing  
14 an unlicensed salesperson to act in Oregon, in violation of ORS 59.165(3), and  
15 transacting business in Oregon as a broker-dealer without the required license, in  
16 violation of ORS 59.165(1), unless exempt from the licensing requirements.

17 17. Escobio is hereby ORDERED to CEASE AND DESIST from transacting  
18 business in Oregon as a salesperson without the required license, in violation of ORS  
19 59.165(1), unless exempt from the licensing requirements.

20 **Orders Assessing Civil Penalties**

21 18. In accordance with ORS 59.995, the Director may assess CIVIL PENALTIES  
22 in an amount not to exceed \$20,000 per violation against any person who violates or who  
23 procures, aids or abets in a violation of the Oregon Securities Law. In the case of a  
24 continuing violation, each day's continuance is a separate violation, but the maximum  
25 penalty for any continuing violation shall not exceed \$100,000.

26 19. In accordance with ORS 59.995(1), the Director hereby ORDERS Southern





1 Trust to pay CIVIL PENALTIES totaling \$6,000 as follows:

2 A. A civil penalty of \$3,000 for violations of ORS 59.165(1), transacting  
3 business in Oregon as a broker-dealer without being licensed as such under the Oregon  
4 Securities Law; and

5 B. A civil penalty of \$3,000 for violations of ORS 59.165(3), employing a  
6 salesperson to act in Oregon without a license.

7 20. The Director SUSPENDS the collection of \$3,000 of the civil penalties  
8 assessed against Southern Trust, so long as Southern Trust complies with all terms and  
9 conditions of this Order and all requirements of the Oregon Securities Law. If Southern  
10 Trust complies with the terms of this Order and the Director has not initiated an  
11 enforcement action for new violations of the Oregon Securities Law during the three-year  
12 period from the effective date of this Order, the Director WAIVES the collection of the  
13 suspended CIVIL PENALTY assessed against Southern Trust herein.

14 21. Southern Trust must pay \$1,500 of the civil penalties at signing, prior to the  
15 entry of this Order, and must pay an additional \$1,500 of the civil penalties no later than  
16 January 31, 2020.

17 22. In accordance with ORS 59.995(1), the Director hereby ORDERS Escobio to  
18 pay a CIVIL PENALTY of \$3,000 for violations of ORS 59.165(1), transacting business  
19 in Oregon as a salesperson without a salesperson license.

20 23. The Director SUSPENDS the collection of \$1,500 of the civil penalty  
21 assessed against Escobio, so long as Escobio complies with all terms and conditions of  
22 this Order and all requirements of the Oregon Securities Law. If Escobio complies with  
23 the terms of this Order and the Director has not initiated an enforcement action for new  
24 violations of the Oregon Securities Law during the three-year period from the effective  
25 date of this Order, the Director WAIVES the collection of the suspended CIVIL  
26 PENALTY assessed against Escobio herein.

1 24. Escobio must pay \$1,500 of the civil penalties at signing, prior to the entry of  
2 this Order.

3 25. The Director reserves the right to immediately take enforcement action,  
4 pursuant to the procedures set forth in ORS 183.745, to impose the suspended CIVIL  
5 PENALTIES if Southern Trust or Escobio violates any term of this Order.

6 26. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that  
7 provision, the entry of this Order does not limit other remedies that are available to the  
8 Director under Oregon law.

9 SO ORDERED this 27<sup>th</sup> day of January 2020.

10 LOUIS SAVAGE, Acting Director  
11 Department of Consumer and Business Services

12  
13 s/ Dorothy Bean

14 Dorothy Bean, Chief of Enforcement  
15 Division of Financial Regulation

16 *[The remainder of this page intentionally left blank.]*

17 Division of Financial Regulation  
18 Labor and Industries Building  
19 350 Winter Street NE, Suite 410  
20 Salem, OR 97301-3881  
21 Telephone: (503) 378-4387



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CONSENT OF SUSAN ESCOBIO TO ENTRY OF ORDER

I, Susan Escobio, state that I am a resident of the State of Florida, that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Securities Law by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

/s/ Susan Escobio  
Susan Escobio

State of Florida

County of Dade

Subscribed and affirmed before me by Susan Escobio this 6<sup>th</sup> day of January, 2020.

/s/ Christie Campos  
Notary Public

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 CONSENT TO ENTRY OF ORDER BY SOUTHERN TRUST SECURITIES, INC.

2

3 Southern Trust Securities, Inc. (“Southern Trust”) states that one or more of its  
4 employees and/or officers with appropriate authority has read this Consent Order, fully  
5 understands its contents, and the factual allegations stated herein are true and correct.  
6 Southern Trust consents to the entry of this Consent Order, and will take any necessary  
7 steps to ensure that Southern Trust, and any and all agents, authorized representatives,  
8 and entities owned or controlled by Southern Trust, their successors and assigns, fully  
9 comply with the terms of the Order.

7 Southern Trust further states that it has been represented by counsel in this matter,  
8 advised of its right to a hearing, and voluntarily and without any force or duress expressly  
9 waives any right to a hearing in this matter. Southern Trust understands that the Director  
10 reserves the right to take further actions against Southern Trust to enforce this Order or to  
11 take appropriate action upon discovery of other violations of the Oregon Securities Law  
12 by Southern Trust.

10 Southern Trust understands that this Consent Order is a public document.

11 Susan Escobio is president of Southern Trust and is authorized to execute this  
12 Consent to Entry of Order on behalf of Southern Trust.

13

Southern Trust Securities, Inc.

14

15 By: /s/ Susan Escobio  
16 Susan Escobio  
17 President

16

17 State of Florida

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19 County of Dade

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20 Subscribed and affirmed before me by Susan Escobio this 6<sup>th</sup> day of

21

21 January, 2020.

22

23

24

25 /s/Christie Campos  
26 Notary Public

25

26

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