

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 70447 / September 18, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15501

In the Matter of

EDMUND E. WILSON,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”), against Edmund E. Wilson (“Respondent” or “Wilson”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Wilson was president and control person of Fountain Group of Companies of Utah, Inc. (“Fountain Group”), a now defunct Utah corporation. Beginning in September 2005, Wilson, through his company Fountain Group, offered and sold Fountain Group securities raising approximately \$11 million from at least 60 investors. At the time Fountain Group’s offer and sale of securities took place, Wilson was not an associated person of a registered broker-dealer. However, Wilson acted as a broker by: (1) actively soliciting investors; (2) hiring an unregistered sales agent to solicit investors; (3) receiving the investment funds and signing the investment contracts as the president of Fountain Group; and (4) paying transaction-based compensation to the sales agent.

B. ENTRY OF THE INJUNCTION

2. On September 6, 2013, a default and final judgment was entered against Wilson permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Wilson, et al., Civil Action Number 2:13-CV-00188, in the United States District Court for the District of Utah. Wilson was ordered to pay disgorgement of \$10,987,273.25, plus prejudgment interest of \$5,089,068.90 and a civil penalty of \$8,980,000.

3. The Commission's Complaint alleged that, from at least January 2005 until June 2012, in connection with the sale of investment contracts, Wilson misappropriated investor funds, used false and misleading statements to create the appearance that investor funds were safe and otherwise engaged in conduct that operated as a fraud and deceit on investors. The Complaint further alleged that Wilson sold unregistered securities in the form of investment contracts and acted as an unregistered broker.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary