

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 87118 / September 26, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19527

In the Matter of

WILLIAM R. FORT,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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 William R. Fort (“Fort” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Fort, age 53, resides in Greenville, Texas. From July 2013 to October 2014, Fort served as President of AmeraTex Energy, Inc. ("AmeraTex"). Prior to that, from November 2008 to July 2013, Fort served as AmeraTex's Vice President and Director of Operations.

2. On August 28, 2018, a judgment was entered by consent against Fort, permanently enjoining him from, among other things, future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), 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. AmeraTex Energy, Inc., et al.*, Civil Action Number 4:18-CV-129, in the United States District Court for the Eastern District of Texas (Sherman Division).

3. The Commission's Complaint alleged, among other things, that Fort assisted AmeraTex and its owner, Thomas A. Lewis, raise approximately \$2.8 million from approximately 90 investors by offering and selling securities in the form of limited partnership interests in oil-and-gas drilling and operations programs in Kentucky. The Complaint further alleged that in connection with these offerings, Fort and Lewis made a variety of materially misleading statements and omissions concerning, among other things, how investor proceeds would be used, the location and production of oil-and-gas wells, to whom sales commissions would be paid, the comingling and loaning of investor funds, and significant related-party interests and involvement. The Complaint also alleged that Fort: (a) managed the sales team; (b) regularly solicited investors to discuss the benefits of the investments and the likelihood of earning profits; (c) led meetings with sales staff to discuss the details and selling points of offerings; (d) drafted and edited offering documents; (e) distributed sales materials to prospective investors; (f) participated in closing calls with investors; (g) received 10% sales commissions for selling interests in the offerings; (h) drafted and edited update letters and other communications to investors; and (i) misused and misappropriated investor funds. In emails and phone calls with investors, Fort provided estimates for well production and sometimes guaranteed a return percentage. The Complaint also alleged that Fort employed Internet search suppression services to hide online investor and employee complaints, and paid undisclosed sales commissions through hidden entities. Further, the Complaint alleged that none of the securities offerings were registered with the Commission, and none of the individuals who were paid to sell the securities, including Fort, were licensed or associated with registered brokers.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Fort's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Fort be, and hereby is, barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Fort be, and hereby is, barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

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

Vanessa A. Countryman
Secretary