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**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE,
OFFICE OF THE MONTANA STATE AUDITOR**

IN THE MATTER OF

JAMES WILSON

Respondent.

Case No. SEC-2026-00129

**NOTICE OF PROPOSED AGENCY
ACTION AND OPPORTUNITY
FOR HEARING**

TO: JAMES WILSON

The Commissioner of Securities and Insurance, Office of the Montana State Auditor (“Commissioner” or “CSI”), has cause to believe that James Wilson (“Wilson” or “Respondent”) has violated the Securities Act of Montana. Mont. Code Ann. §§ 30-10-101 to 30-10-342. The Commissioner proposes to levy a fine of \$20,000 and to order that Respondent make full restitution to the Montana victim, J.L. The Commissioner has the authority to undertake this action pursuant to the Securities Act of Montana. *Id.*

Failure to timely respond to this Notice will result in entry of a Default Order, and the Proposed Agency Action below will be deemed a Final Agency Action on the facts and law set out below. If Respondent chooses to contest the

Proposed Agency Action, an administrative hearing must be demanded. The demand must be made in writing and received by the Commissioner **within 24 days** of the date of this Notice, as described in the Statement of Rights below.

FACTUAL ALLEGATIONS

There is reasonable cause to believe the following facts justify and support administrative action against Respondent.

1. On March 23, 2026, CSI received a consumer complaint from J.L., a 76-year-old residing in Missoula, Montana, alleging that he had been defrauded of approximately \$306,847.

2. On or around January 24, 2025, Wilson first contacted J.L., claiming to be an attorney representing his grandson. Wilson used AI to impersonate the grandson's voice to convince J.L. that his grandson was involved in a car crash that killed a woman and child.

3. Wilson called approximately three times a week for six months to demand money from J.L. for his grandson's bail and legal costs. J.L. used his life savings and took out a loan on his home because he was continually made to believe that sending funds was the only way Wilson could help his grandson.

4. At Wilson's direction, between January and March 2025, J.L. liquidated \$198,890.93 worth of securities from his investment account and transferred the proceeds to his bank account.

5. Wilson then instructed J.L. to withdraw from his bank account and mail the currency to seven Florida addresses via FedEx, in a total of twenty-five shipments. The first shipment occurred on January 28, 2025, and the last occurred on July 10, 2025. Wilson instructed J.L. to destroy the receipts after each shipment.

6. To verify the extent of the fraud, the Missoula County Sheriff's Office ("MCSO") obtained parts of the shredded shipping receipts from J.L., the FedEx shipping records, bank, and phone records. The MCSO investigation determined that the recipients of the FedEx shipments were not associated with any of the Florida delivery addresses. Rather, these addresses served only as temporary drop sites, as all were either vacant, listed for sale, or recently sold.

7. MCSO calculated J.L.'s total financial loss to be approximately \$306,847 based on bank statements, shipping history, and J.L.'s handwritten records.

ASSERTIONS OF LAW

1. The Commissioner has jurisdiction over this matter pursuant to the Securities Act of Montana. Mont. Code Ann. §§ 30-10-101 to 30-10-342.

2. The Commissioner is tasked with enforcement of the Securities Act of Montana. *Id.*

3. The Commissioner is entrusted to protect investors, people engaged in securities transactions, and the public interest. *Id.* § 30-10-102.

4. It is unlawful for any person, in connection with the offer, sale, or purchase of any security, whether directly or indirectly, to employ any device, scheme, or artifice to defraud, make any untrue statement of material fact, (or omit a material fact necessary to prevent any other statements from being misleading), or engage in any act, practice, or course of business that operates or would operate as a fraud or deceit on any person. *Id.* § 30-10-301(2).

5. For purposes of any action brought by the commissioner under the Securities Act of Montana, "any person that knowingly provides substantial assistance to another person in violation of a provision of this part or of any rule or

regulation issued under this part must be considered to be in violation of that provision to the same extent as the person to whom the assistance is provided.” *Id.* § 30-10-321.

6. The Commissioner may impose a fine not to exceed \$20,000 per violation on a person found to have engaged in any act or practice violating the Securities Act, and the act or practice affected a vulnerable person. Mont. Code Ann. § 30-10-305(3)(b).

7. J.L., who is at least sixty years of age, qualifies as a vulnerable person for the purpose of enhancing the fines imposed upon Respondent. *Id.* § 30-10-103(27)(a). Wilson’s violation of the Securities Act harmed J.L., and the Commissioner may impose a fine of up to \$20,000 per violation. *Id.* § 30-10-305(3)(b).

8. After conducting a hearing under § 30-1-305, if requested, the Commissioner may also impose an order of restitution on any person found to have violated § 30-10-301, with 10% annual interest from the date of violation, reasonable attorney’s fees, and costs associated with bringing the administrative action. Mont. Code Ann. § 30-10-309(1).

9. Respondent Wilson used A.I. to replicate the voice of J.L.’s grandson, then called J.L. repeatedly over a period of approximately six months, playing both the role of J.L.’s grandson and the grandson’s attorney. Wilson told J.L. that a woman and child were killed in a car crash, and his grandson’s involvement in the crash required bail money and legal fees. Wilson fabricated an emergency and sustained a deception that caused J.L. to liquidate \$198,890 worth of securities under fraudulent pretenses. By engaging in this conduct in connection with the offer and sale of a security, which operated as fraud and deceit upon J.L., Wilson violated Mont. Code. Ann. § 30-10-301(1)(c).

10. Wilson's fraudulent scheme resulted in personal financial loss to J.L. and is grounds for the Commissioner to require Wilson to make restitution for all losses sustained as a result of Respondents' actions.

PROPOSED AGENCY ACTION

The Commissioner, in his discretion and after considering the gravity, number, and scope of the offenses, the financial loss involved, and the protection of the health, safety, and welfare of the public, proposes to order the following:

1. That Respondent has violated Mont. Code Ann. § 30-10-301.
2. Pursuant to Mont. Code Ann. § 30-10-305(3)(a), a fine of \$20,000 against Respondent plus interest at the statutory rate from the date of the Commissioner's final order for violating Mont. Code Ann. § 30-10-301(1)(c). Such fine shall be subordinate to the restitution in the event Respondent is unable to pay the full amount of the fines and restitution.
3. Pursuant to Mont. Code Ann. § 30-10-309, an order requiring Respondent to pay restitution for the total losses to J.L. in the amount of \$198,890.93, together with ten percent annual interest from January 31, 2025.

STATEMENT OF RIGHTS

Respondent is entitled to contest the Commissioner's proposed action by requesting a hearing; this is called an administrative or "contested case" hearing. Mont. Code Ann. § 2-4-102(4). To do so, **within 24 days of the date of this Notice**, Respondent must submit a **written hearing request** to CSI at 840 Helena Avenue, Helena, MT 59601 or CSI.LegalService@mt.gov. A hearing request may, but does not have to, include a response to the allegations set forth above.

If a hearing is requested, the Commissioner may appoint an impartial hearing examiner to conduct the proceedings under the provisions of the Montana Administrative Procedure Act. Mont. Code Ann. §§ 2-4-611, 30-10-305; Mont. Admin. R. § 1.3.218. Formal proceedings may be waived pursuant to Mont. Code

Ann. § 2-4-603, in which case the hearing examiner would handle this case under the process for informal proceedings pursuant to Mont. Code Ann. § 2-4-604. Respondents will be provided with notice of the time, place, and nature of the hearing. Respondents will be entitled to participate in the contested case process, respond to and present evidence, and respond to arguments on all issues involved in this action. Mont. Code Ann. §§ 2-4-601 to 2-4-612.

Respondents have the right to retain legal counsel to represent, accompany, and advise them at each stage of this proceeding or may also elect to represent themselves. However, a business entity may not appear on its own behalf or through an agent other than an attorney licensed to practice law. Admin. R. Mont. 1.3.231.

CONTACT WITH COMMISSIONER'S OFFICE

If there are questions or concerns, please contact CSI at 406-444-2040 or CSI.LegalService@mt.gov. If represented by an attorney, please ensure this contact is made by the attorney.

POSSIBILITY OF DEFAULT

Failure to provide a written hearing request in a timely manner shall result in the entry of a default order imposing the Commissioner's proposed action, without additional notice, pursuant to Admin. R. Mont. 1.3.214.

DATED this 31st day of July 2026.

/s/ Jack Connors

JACK CONNORS

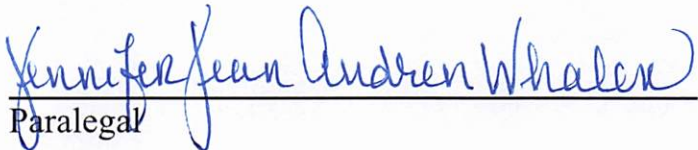
*Counsel for Commissioner of Securities &
Insurance*

CERTIFICATE OF SERVICE

I hereby certify that on August 3, 2026, I caused a copy of the foregoing, *Notice of Proposed Agency Action and Opportunity for Hearing*, to be served on the following persons by the following means:

TO: JAMES WILSON

4809 NW 4th Ave, Boca Raton, FL 33431
3950 NW 175th Street, Miami Gardens, FL 33055
16021 NW 18th Ave, Miami Gardens, FL 33054
3851 NW 172nd Terrace, Miami Gardens, FL 33055
175 NE 120th St, North Miami, FL 33161
1040 NE 143rd St, North Miami, FL 33161
1340 NW 181st St, Miami Gardens, FL 33169



Paralegal