

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3692 / October 16, 2013**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15571**

**In the Matter of**

**MICHAEL J. FULCHER,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 203(f) OF THE**  
**INVESTMENT ADVISERS ACT OF 1940,**  
**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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Michael J. Fulcher (“Fulcher” 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, Respondent consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, 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. SJK Investment Management, LLC ("SJK") was a North Carolina-based investment adviser that had been registered with the Commission since 2009. SJK's sole owner and Chief Executive Officer was Stanley J. Kowalewski ("Kowalewski"). SJK's Chief Financial Officer was Michael J. Fulcher. Fulcher, 56, is a resident of Greensboro, North Carolina.

2. On January 6, 2011, the Commission filed a civil action entitled Securities and Exchange Commission v. Stanley J. Kowalewski and SJK Investment Management, LLC, Civil Action Number 1:11-CV-0056-TCB, in the United States District Court for the Northern District of Georgia.

3. The Commission's complaint alleged, inter alia, that Kowalewski and SJK made numerous misrepresentations to investors in raising investor proceeds, misused and misappropriated investor funds, including purchasing personal homes in which he allowed his relatives to live rent-free, sent out false account statements to investors and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors.

4. In connection with the Commission's investigation of Kowalewski and SJK, the Commission took the testimony of Kowalewski on November 29, 2010.

5. On April 19, 2013, Fulcher pleaded guilty to one count of conspiracy to obstruct an SEC proceeding in violation of Title 18 United States Code, Section 1505 before the United States District Court for the Northern District of Georgia, in United States v. Michael J. Fulcher, 1:13-cr-00135-WBH. The Court ordered the sentencing date to be set later.

6. The count of the criminal information to which Fulcher pleaded guilty alleged, inter alia, that Fulcher, at Kowalewski's direction, in violation of Title 18 United States Code 1505, obstructed a Commission investigation by conspiring with Kowalewski to create fraudulent and backdated leases to conceal Kowalewski's self-dealing transactions wherein Kowalewski's relatives lived rent-free in homes purchased with investor funds. Kowalewski subsequently provided those leases to the Commission in the course of its investigation and testified falsely to the Commission about them on November 29, 2010.

### IV.

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

Accordingly, it is hereby ORDERED pursuant Section 203(f) of the Advisers Act that Respondent Fulcher 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;

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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) 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 (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Elizabeth M. Murphy  
Secretary