

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

HARD ROCK PROPERTIES LLC
JASON CAUDLE

RESPONDENTS

)
) ADMINISTRATIVE ORDER
) NO. CD-2013- 0019
)
)

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. HARD ROCK PROPERTIES, LLC, ("HRP, LLC") is represented to be a limited liability company that purchases, sells, remodels, and manages, real estate. HRP, LLC was formed on January 1, 2010, and has a business address of 2890 Old Birmingham Highway, Sylacauga, Alabama 35150.

2. JASON CAUDLE, ("CAUDLE") is represented to be the owner of HRP, LLC, and has a listed residential address of 3619 Talladega Highway, Sylacauga, Alabama 35150.

STATEMENT OF FACTS

3. The Commission is in receipt of information that, between November 30, 2011 and May 11, 2013, CAUDLE solicited two Alabama residents to invest a total of \$42,000.00 in HRP, LLC. CAUDLE represented to the Alabama residents that the investment would generate 25% to 30% interest monthly. CAUDLE issued the investors

both an initial and multiple revised investment contracts as evidence of the terms, and conditions of the investment. CAUDLE further represented that HRP, LLC, would pay the investors a monthly income distribution, as stated in the agreement, until principal plus accrued interest was repaid.

4. In addition, based on the terms of the investment contract, and verbal representation made by CAUDLE, the investors believed their investment funds were for the purchase of a 25% to 30% ownership interest in HRP, LLC.

5. Information made available to the Commission indicates that CAUDLE made untrue statements of material fact in the solicitation of investment funds. CAUDLE failed to disclose to investors that he was not the legal owner of the properties in which he was soliciting investors. In addition, CAUDLE failed to disclose that the investor's funds would be used for purposes unrelated to the development of the properties identified as being owned by HRP, LLC, and the normal business operation of HRP, LLC.

6. A review of the Commission's Registration Division files revealed no record of registration for HRP, LLC, and CAUDLE as securities dealers, securities agents, investment advisors, or investment advisor representatives in the state of Alabama.

7. A review of the Commission's registration Division files disclosed no record of registration, or any perfected exemption from registration for the securities offered by HRP, LLC.

CONCLUSIONS OF LAW

8. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a "security" includes any "investment contract." The investment agreements offered, by Respondents, constitute investment contracts, and are securities as defined in the Act.

9. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an agent is identified as any individual, other than a dealer, who represents a dealer or issuer in effecting or attempting to effect sales of securities. CAUDLE represented HRP, LLC in soliciting the sale of investment contracts and is an agent under the Act.

10. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as an agent or dealer of securities, unless such person is registered under the Act. By offering and selling securities, to wit: the HRP, LLC investment contracts, CAUDLE acted as a securities agent of HRP, LLC without benefit of registration with the Commission, in violation of the Act.

11. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in the state of Alabama unless the security is registered under the Act; the security is exempt from registration under Section 8-6-10; or the transaction is exempt under Section 8-6-11. The securities offered and/or sold by CAUDLE, to wit: the investment contracts issued by HRP, LLC, were neither registered, nor exempt from registration, and were offered / sold in violation of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENT immediately CEASE AND DESIST from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 20 day of December, 2013.



ALABAMA SECURITIES COMMISSION

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BY: _____


JOSEPH P. BORG
Director