

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

G&G L. L. C.
GOURLEY & GOURLEY L. L. C.
GOURLEY & ASSOCIATES, INC.
DOUGLAS TRENT GOURLEY

RESPONDENTS

ADMINISTRATIVE ORDER
NO. CD-2008-00 26

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the 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:

RESPONDENT

1. G&G, LLC ("G&G") is a Virginia Limited Liability Company, with a business address of 8756 Lewinsville Rd., McLean, VA 22102-2208.
2. GOURLEY & GOURLEY, LLC (GOURLEY& GOURLEY), a Virginia Limited Liability Company, is the Managing Member of G&G, with a business address of 8756 Lewinsville Rd., McLean, VA 22102-2208.
3. GOURLEY & ASSOCIATES, INC. (G&A), a Virginia Corporation, is the Managing Member of GOURLEY & GOURLEY, with a business address of 8756 Lewinsville Rd., McLean, VA 22102-2208.

4. DOUGLAS TRENT GOURLEY ("GOURLEY"), at all times relevant, was the President and sole share holder of G&A, with a residential address of 8756 Lewinsville Rd., McLean, VA 22102-2208.

STATEMENT OF FACTS

5. Between November 26, 2001 and January 19, 2007, GOURLEY offered and sold interests in a "Mortgage Pool" to Alabama residents. The Mortgage pool was operated pursuant to an operating Agreement entitled "Amended and Restated Operating Agreement of G&G, LLC" (The Agreement) signed by GOURLEY as "Managing Member.

6. The Agreement provided that in return for their investment the investors would receive a share of the profits of G&G at a rate of 8.0 % per annum. The Agreement provided that " the Managing Member may, in the exercise of its sole but reasonable discretion, from time to time increase or decrease the Priority Return payable to the Members".

7. The Agreement omitted to state material facts necessary in order to make the statements made to potential investors, in light of the circumstances under which they were made, not misleading, in that the Agreement failed to provide adequate risk disclosures to potential investors.

8. A review of the Registration files of the Commission, disclosed no record of registration or exemption from registration for the RESPONDENTS as a Dealer or Investment Advisor in the state of Alabama, or any record of registration for GOURLEY as Agent or Investment Advisor Representative.

9. The securities offered and sold by respondents to the Alabama residents are neither registered nor exempt from registration in the state of Alabama.

CONCLUSIONS OF LAW

10. The Agreements, offered and sold by respondents to Alabama investors are profit-sharing agreements and are securities as defined by Section 8-6-2 (10), Code of Alabama 1975.

11. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of “agent” includes any individual who represents an issuer in effecting sales of securities. Information available to the Commission indicates that GOURLEY acted as an agent of the issuer under the Act.

12. Transacting business in the state of Alabama as a Dealer, Agent, Investment Advisor or Investment Advisor Representative, without benefit of registration or exemption from registration, is a violation of Section 8-6-3(a), Code of Alabama 1975.

13. The sale of unregistered securities into, within, or from the state of Alabama is a violation of Section 8-6-4, Code of Alabama 1975.

14. Pursuant to Code of Alabama 1975, Section 8-6-17 (a)(2), it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to omit to state a material fact, or make any untrue statement of a material fact. RESPONDENTS failed to adequately disclose risks factors to the investors.

15. Pursuant to Section 8-6-19(j)(2), if the violations of the Alabama Securities Act listed in this order are found to be true, or are not refuted, the Commission may impose administrative assessments.

16. In addition to any administrative assessments, the Commission may charge the respondents for the actual cost of the investigation or examination, as stated in Section (8-6-19(k)(1)) 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.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS 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 12th day of August, 2008.



ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
Montgomery, AL 36130-4700
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is fluid and cursive, with a long, sweeping underline that extends to the left and loops around the text.

JOSEPH P. BORG
Director