

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )  
 )  
RODNEY HOWARD LANKFORD ) ADMINISTRATIVE ORDER  
LA CORTEZ ENERGY, INC ) NO. CD-2010-00 52  
LIGHTHOUSE CAPITAL CORP )  
C&L ASSOCIATES, LLC )  
 )  
RESPONDENTS )

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:

RESPONDENTS

1. RODNEY HOWARD LANKFORD ("LANKFORD"), during the period of August 23, 2004 to December 29, 2009, was a registered securities agent of an Alabama registered dealer, Harbor Financial Services, LLC ("HFS"). Prior to that employment, from January 4, 1999 to August 23, 2004, LANKFORD was a registered securities agent of Raymond James Financial Services, Inc ("RJFS"). His current business address is 2100 Club Dr, Gadsden, AL 35901.

2. LA CORTEZ ENERGY, INC ("LCE") represents itself to be an early stage international energy company, with a business headquarters address of 1266 1st Street, Suite 4, Sarasota, FL 34236. LCE is currently incorporated in the State of Nevada. LCE's online business profile states that the company operates as an oil and gas exploration and production company focusing on opportunities in South America. The company was formerly known as La Cortez Enterprises, Inc., and changed its name in 2008 to La Cortez Energy, Inc., as a result of its business focus shift from gourmet chocolates manufacturing to oil and natural gas exploration. La Cortez Energy, Inc. was founded in 2006 and is headquartered in Bogota, Colombia.

3. LIGHHOUSE CAPITAL CORPORATION ("LCC"), (CRD# 41812), is a FINRA registered broker/dealer, with a business address of 659 Abrego St # 6, Monterey, CA 93940-3238. LCC filed an application for registration as a broker/dealer in Alabama on September 1, 2010. LCC's application for registration was found deficient and is pending resolution of the identified deficiencies.

4. C&L ASSOCIATES, LLC ("CLA") is a limited liability company registered by Lankford with the Alabama Secretary of State, on February, 23, 2010. LANKFORD was listed as the sole Member/Registered Agent of CLA. CLA is the name of the current business entity under which LANKFORD is operating, at the business address of 2100 Club Dr, Gadsden, AL 35901.

#### STATEMENT OF FACTS

5. Information made available to the Commission indicates that LANKFORD is not currently registered with any Alabama registered broker dealer. LANKFORD's most recent employment in the industry was at the Gadsden, Alabama branch office of HFS (CRD Branch # 145108), located at 2100 Club Drive, Ste 200, Gadsden, Alabama 35901.

6. HFS stated that an internal review was initiated as a result of suspicious behavior exhibited by LANKFORD, during a routine branch audit performed by FINRA, in August of 2009. LANKFORD was asked, by auditors, if he had any outside business activities. LANKFORD's response to the inquiry was to call HFS Compliance Department for guidance on how to answer the question.

7. HFS Compliance Department instructed LANKFORD to answer questions truthfully. HFS became concerned, because there was no authorization on file for LANKFORD to engage in any outside business activity. An internal audit was initiated by HFS, and LANKFORD tendered his resignation, on December 29, 2009. LANKFORD resigned his employment with HFS, without providing HFS or FINRA the requested information concerning the nature and scope of his outside business activities. Results of the audit are still pending.

8. LANKFORD's CRD listed the reason for termination of employment as "Other". Supporting comments on the U-6 filed by HFS for LANKFORD states, "Representative was notified of an internal review on business practices and requested to provide information to BD.

Representative sent a resignation letter one day before deadline. An internal review continues into representatives activities while at the firm".

9. Shortly thereafter, LANKFORD opened a business office, at 2100 Club Dr, Gadsden, AL 35901, in the office suite adjacent to the HFS Gadsden, Alabama branch office. The name on the placard outside the door is CLA. A telephone number within the office has been identified as 256-438-5430.

10. After LANKFORD's termination, HFS received numerous reports that LANKFORD continued to attempt to contact and conduct business with former clients. HFS sent correspondence to former clients of LANKFORD's advising that LANKFORD was no longer affiliated with HFS. HFS also adjusted the Gadsden branch offices outside placard, in order to clearly differentiate HFS's office space from that of LANKFORD's.

11. On February, 23, 2010, LANKFORD registered CLA as a limited liability company with the Alabama Secretary of State. CLA's name is also displayed on the placard of the current business location from which LANKFORD is operating, at 2100 Club Dr, Gadsden, AL 35901. However, no record exists of a business license being issued for CLA by the city of Gadsden, Alabama.

12. On February 24, 2010, HFS Compliance sent a cease and desist letter to LANKFORD. The letter stated that LANKFORD was to cease making recommendations to and/or having any future contact with any HFS clients, who still maintained accounts custody at RJFS.

13. On May 3, 2010, the Commission's Registration Division received a SEC Regulation D, Rule 506 notice filing for LCE, from LCE's counsel Mr. Michael J. Stringfellow, with Gottbetter & Partners, LLP. On June 3, 2010, the Commission's Registration Division issued a deficiency letter, to Mr. Stringfellow, stating that the broker/dealer handling the LCE offering must be identified. A letter was also faxed to Mr. Stringfellow's attention, on June 8, 2010.

14. The Commission received information that, on or about August 6, 2010, LANKFORD contacted and solicited a HFS client to purchase shares of LCE stock. LANKFORD accomplished the transaction by calling RJFS, the clearing firm for HFS, and

impersonating the HFS agent assigned to the account. LANKFORD used his knowledge of HFS's procedures to convince RJFS's trade desk to not only execute the transaction, but to also refrain from sending a confirmation email or callback.

15. LANKFORD caused the transaction to be executed, within and through the clients HFS brokerage account, without the knowledge or consent of HFS or the agent assigned to the clients account.

16. The HFS agent, who was assigned to the above referenced client account, detected the transaction the following week. During a review of his clients previous weekly account activity, the agent noticed the trade confirmation was coded as a solicited transaction. The agent contacted HFS Compliance Department to report that he had no knowledge of the trade and did not solicit the transaction.

17. On August 10, 2010, HFS contacted RJFS to determine the origin of the transaction. HFS was told by RJFS that the transaction was initiated via telephone and that they had a recording of the call. HFS officials determined that the voice on the call was LANKFORD's, and confirmed this fact upon interviewing the client in whose account the transaction occurred. The client was a former customer of LANKFORD and claimed to be unaware of Lankford's resignation from HFS. The client still thought LANKFORD was his assigned agent. The client subsequently agreed to have the agent transaction voided.

18. On September 1, 2010, LCC applied for registration via Web CRD. The broker dealer's registration application was found to be deficient and is pending resolution of the identified deficiencies. However, there is no indication that an agent registration application has been submitted or received for LANKFORD, to be registered as an agent for LCC.

19. On September 10, 2010, the Commission's Registration Division issued an intent to deny letter, via certified mail, to Mr. Stringfellow, for the LCE Reg D Filing.

20. On September 23 & 27, 2010, the Commission's Registration Division received a letter from Mr. Stringfellow, in response to the Commission's June 3, 2010 & September 10, 2010 deficiency letters, advising the following:

"In connection with the offering, *Lighthouse Capital Corporation*,

*CRD#41812, SEC#8-49576, a registered broker/dealer, acted as a placement agent for the Issuer (La Cortez Energy, Inc) and has informed us (Gottbetter & Partners, LLP) that all sales made in Alabama were conducted through their registered salesman, Rodney LANKFORD .”*

21. In addition, a review of a SEC Form 8-K filing submitted by LCE, dated September 23, 2010, contained a press release attachment identified as EX-99.1 2v197354\_ex99-1.htm. The press release revealed the following notation:

***“For more information, please contact the Company's Investor Relations department at 256-438-5430”***

22. The name of the subscriber for the telephone number referenced is listed to Revolution Partners – AL, with a business address of 2100 Club Dr, Gadsden, AL 35901.

23. A search of the Alabama Secretary of State Corporation Division Database disclosed no corporate filings for RP. However, the search did disclose a corporate filing for C&L Associates, LLC, dated February 23, 2010. LANKFORD was listed as the sole Member/Registered Agent of CLA and the business address was the same as that listed for RP. The Nature of Business identified on the C&L Associates filing was listed as “Promote Investor Relations/Consulting”.

24. A review of the Commission Registration Division files disclosed no record of current registration, or an application for registration, for LANKFORD as a Securities Agent in the state of Alabama.

25. A review of the Commission Registration Division files disclosed a pending application for registration, for LCC as a broker / dealer in the state of Alabama.

26. A review of the Commission Registration Division files disclosed a pending notice filing by LCE, for a Reg D Rule 506 limited offering exemption, naming LANKFORD as their registered salesman.

## CONCLUSIONS OF LAW

27. Pursuant to Section 8-6-2(3), Code of Alabama 1975, Dealer includes any person engaged in the business of effecting transactions in securities for the account of others or for his own account. LIGHTHOUSE CAPITAL CORPORATION has represented itself as a Broker-Dealer in applications to the Commission staff and through communications from LA CORTEZ ENERGY, INC's counsel representing to the Commission staff that LIGHTHOUSE CAPITAL CORPORATION "acted as a placement agent of the Issuer". LIGHTHOUSE CAPITAL CORPORATION is a dealer as defined by the Act

28. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of agent includes any individual who represents a dealer or issuer in effecting or attempting to effect transactions in Securities. LANKFORD was identified by a client of HFS as the person effecting a transaction in the securities of LA CORTEZ ENERGY, INC in the client's account. Additionally, LA CORTEZ ENERGY, INC's counsel specifically states that, "all sales made in Alabama were conducted through their (LIGHTHOUSE CAPITAL CORPORATION) registered salesman, RODNEY LANKFORD". RODNEY LANKFORD is an Agent as defined by the Act.

29. Pursuant to Section 8-6-2(10), Code of Alabama 1975, Securities includes stock, the stock offered and sold through LIGHTHOUSE CAPITAL CORPORATION and LANKFORD and issued by LA CORTEZ ENERGY, INC is a security under the Act.

30. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to effect transactions in securities as a dealer or agent without being registered with the Alabama Securities Commission. LANKFORD was not registered as an agent with the Commission when he effected the transactions in the securities of LA CORTEZ ENERGY, INC in violation of the Act.

31. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to effect transactions in securities as a dealer or agent without being registered with the Alabama Securities Commission. LIGHTHOUSE CAPITAL CORPORATION was not registered as a dealer with the Commission when LIGHTHOUSE CAPITAL CORPORATION effected the transactions in the stock of LA CORTEZ ENERGY, INC in violation of the Act.

32. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to employ a dealer or agent who is not registered with the Alabama Securities Commission. As stated by LA CORTEZ ENERGY, INC's counsel, LA CORTEZ ENERGY, INC employed LANKFORD and LIGHTHOUSE CAPITAL CORPORATION to effect transactions of their stock in Alabama is in violation of the Act.

33. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to employ a dealer or agent who is not registered with the Alabama Securities Commission. LIGHTHOUSE CAPITAL CORPORATION employed LANKFORD, an unregistered agent, to effect transactions in the stock of LA CORTEZ ENERGY, INC in violation of the Act.

34. Pursuant to Section 8-6-17(a)(3), Code of Alabama 1975, it is unlawful to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon another person. LANKFORD, by effecting a transaction in the account of a client of a dealer for which he was not employed, committed an act which would operate as a fraud or deceit on another in violation of the Act.

This Order does not prevent the Alabama Securities 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 administrative adjudication, failure of the **RESPONDENTS** to make a timely request for Hearing, or default of the respondent, it is the intention of the Commission to impose sanctions upon **RESPONDENTS**. Such sanctions may include, *inter alia*, an administrative assessment imposed upon **RESPONDENTS**, and additional administrative assessment for investigative cost arising from the investigation of the violations 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 **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 25TH day of OCTOBER, 2010.

ALABAMA SECURITIES COMMISSION  
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(334) 242-2984

BY:

  
JOSEPH P. BORG  
Director