

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

**E3 CORP
JR N. ASIMOA**

RESPONDENTS

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**ADMINISTRATIVE ORDER
NO. CD-2014-00 09**

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. **E3 CORP ("E3")** is an Alabama company with principal business address of 2211 California Drive SE, Huntsville, Alabama 35801-2706.
2. **JR N. ASIMOA ("ASIMOA")** is the incorporator, registered agent and CEO of **E3** with a principal business address of 2211 California Drive SE, Huntsville, Alabama 35801-2706.

STATEMENT OF FACTS

3. According to an "E3 Corp Commercial Joint Venture Agreement" ("Agreement"), dated December 12, 2012, **E3** and **ASIMOA** received \$50,000 in investment funds from a Texas investor ("investor") on December 7, 2012. The Agreement stated that the investor would contribute another \$50,000 on or before January 31, 2013. The agreement stated that the purpose of the Agreement was "for E3

Corp to facilitate commodity supply production in order to meet the commercial production target of \$2,500,000.” The agreement stated that the investor contribution “shall be used solely for bid supply participation.” The agreement further stated that “based on the \$100,000, the Company (**E3**) estimates a yearly production amount up to \$340,000; a pro-rated monthly production rate of 15%; year-end bid operations expenses of \$120,000 and year-end net cash-on-hand of \$220,000.”

4. The investor wired \$50,000 on December 7, 2012 and \$50,000 on January 3, 2013 to **E3**. The investor stated that based on **ASIMOA**'s representations, the investor believed that within twelve months of his investment, he would receive a return of \$120,000 on his \$100,000 investment. The investor stated that he was a passive investor and did not participate in day-to-day operation of **E3**. The investor has not received any funds from **ASIMOA** or **E3**.

5. According to the online records of the Alabama Secretary of State, **E3** was formed on July 24, 2008 by **ASIMOA** as E3 – EEE, Inc. The company name was changed to **E3** on November 16, 2010. The current status of the company is listed as “exists.” **ASIMOA** is the only officer associated with **E3**.

6. On July 26, 2013, a review of the Commission's registration files disclosed no record of registration for **E3** or **ASIMOA** as a broker dealer, broker dealer agent, investment advisor, or investment advisor representative in the state of Alabama. Neither **E3** nor **ASIMOA** is currently registered nor has ever been registered with the Commission in any capacity.

7. On July 26, 2013, a review of the Commission's registration files disclosed no record of registration nor any perfected exemption from registration in the State of Alabama for the investment contract entitled “E3 Corp Commercial Joint Venture Agreement”

CONCLUSIONS OF LAW

8. Pursuant to Section 8-6-2(10), Code of Alabama 1975, an investment contract is a security. The "E3 Corp Commercial Joint Venture Agreement" offered and sold by **E3** and **ASIMOA** is a security under the Act.

9. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of "agent" includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. **ASIMOA** represented **E3** in effecting a transaction of securities, to wit; the "E3 Corp Commercial Joint Venture Agreement," in Alabama and is an "Agent" as defined by 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 a Dealer or Agent for securities unless he is registered under the Act. **ASIMOA** sold a security from the state of Alabama while not being registered 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 this state unless it 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 investment contract entitled "E3 Corp Commercial Joint Venture Agreement" was neither registered nor subject to a perfected exemption from registration in Alabama and was offered and sold by **E3** and **ASIMOA** in violation of the Act.

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

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities 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 costs 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, AL, this 23rd day of May, 2014.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
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(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. Below the signature, the name "Joseph P. Borg" and the title "Director" are printed.

Joseph P. Borg
Director