

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
CERTUS SENIOR SERVICES, LLC)
OAK TREE INTERACTIVE, LLC)
MOORE5 HOLDINGS, LLC)
DOUGLAS G. MOORE, JR.)
MARK S. CARTER)
RESPONDENTS)
ADMINISTRATIVE ORDER
NO. CD 2014- 0018

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. **CERTUS SENIOR SERVICES, LLC., ("CERTUS")** at all times relevant to the issuance of this Order, represented itself as an Delaware Limited Liability Company with a business address of 2000 Crestwood Boulevard, Suite 300, Birmingham, Alabama 35210.
2. **OAK TREE INTERACTIVE, LLC., ("OAK TREE")** at all times relevant to the issuance of this Order, represented itself as an Delaware Limited Liability Company with a business address of 1900 Crestwood Boulevard, Suite 200, Birmingham, Alabama 35210.

3. **MOORE5 HOLDINGS, LLC., ("MOORE5")** at all times relevant to the issuance of this Order, represented itself as an Delaware Limited Liability Company with a business address of 2 Office Park Circle, Suite 200, Birmingham, Alabama 35223.

4. **DOUGLAS G. MOORE, JR., ("MOORE")** during all times relevant to the issuance of this Order, was the sole member and manager of **MOORE5** and the Chief Executive Officer of **OAK TREE** operating with a business address of 1900 Crestwood Boulevard, Suite 200, Birmingham, Alabama 35210 and a mailing address of P.O. Box 101766, Irondale, AL. 35210.

5. **MARK S. CARTER, ("CARTER")** during all times relevant to the issuance of this Order, was an owner, manager and Chief Executive Officer of **CERTUS** operating with a business address of 2000 Crestwood Boulevard, Suite 300, Birmingham, Alabama 35210. **CARTER** is also a licensed insurance producer in the State of Alabama license number 0055696.

STATEMENT OF FACTS

6. On July 18, 2014, the Commission received an inquiry from an Alabama resident stating he had been solicited in June 2013 by **MOORE** and **CARTER** to invest in **CERTUS**. The Alabama resident reported **MOORE** represented to him that the mission of **CERTUS** was to "be the agency of choice in the senior marketplace for Final Expense Coverage" providing clients with the very best insurance protection.

7. On June 17, 2013 and based on the solicitation of **MOORE** and **CARTER** the Alabama resident invested \$25,000.00 into **CERTUS** in the form of a cashier's check made out to **CERTUS**. As evidence of the investment between the two, **MOORE** issued an investment contract entitled a "*Membership Unit Purchase Agreement*" between the Alabama investor and **MOORE5** of which **MOORE** was the sole member. This contract represented **MOORE5** owned sixty percent of **CERTUS** and the Alabama resident was purchasing ten of the units representing a ten percent ownership of **CERTUS**. In addition **MOORE** issued the investor another "*Membership Unit Purchase Agreement*" executing

it as the Chief Executive Officer and owner of **OAK TREE**. Furthermore, **CARTER** who was present at the meeting, representing himself as the Manager of **CERTUS** issued and executed a "Promissory Note" for the same \$25,000.00 to the Alabama investor stating the funds were being borrowed by **CERTUS**. Based on his investment in the Limited Liability Companies the Alabama investor believed he would be entitled to future distributions of profits along with the interest and payments for the promissory notes issued.

8. On September 27, 2013 and based on additional solicitations by **MOORE** and **CARTER** the Alabama resident had a cashier's check issued to **CERTUS** in the amount of \$12,500.00. Again, the Alabama resident was issued a "Promissory Note" for this \$12,500.00 dated October 4, 2013 identifying **CERTUS** as the borrower and executed by **CARTER**. Furthermore, **MOORE** issued the investor a "Unit Power Certificate" conveying ten more units of **CERTUS** from **MOORE5** to the Alabama resident.

9. On July 22, 2014, 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 contracts entitled a "*Membership Unit Purchase Agreement*" or the "Promissory Notes" offered by **CERTUS, MOORE5 or OAK TREE**

10. On July 22, 2014, a review of the Commission's registration files disclosed no record of registration for **MOORE** or **CARTER** as a Dealer or Agent for securities in the state of Alabama.

11. The review of the Commission's registration files of July 22, 2014, revealed no history of registration of **CERTUS, MOORE5 or OAK TREE** as a broker dealer in the state of Alabama.

CONCLUSIONS OF LAW

12. Section 8-6-2(10) Code of Alabama 1975, defines a note, bond, investment contract or evidence of indebtedness as a security. The promissory notes offered by Respondents constitute are securities as defined in the Act.

13. Section 8-6-2(10) Code of Alabama 1975, defines an investment contract as a security. The "*Membership Unit Purchase Agreement*" offered by Respondents represented an investment of money in **CERTUS, MOORE5** or **OAK TREE** in which profits were to be derived from the efforts of **MOORE** and **CARTER**, are investment contracts, and therefore, are securities as defined in the Act.

14. Section 8-6-2(2) Code of Alabama 1975, defines an agent as any individual other than a dealer who represents a dealer or Issuer in effecting or attempting to effect sales of securities. A partner, officer or director of a dealer or issuer is an agent if he otherwise comes within the definition. **MOORE** and **CARTER**, by soliciting Alabama investors to purchase investment contracts and promissory notes in **CERTUS, MOORE5** or **OAK TREE** effected transactions in the securities of **CERTUS, MOORE5** and/or **OAK TREE** and are Agents under the Act.

15. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in the state as a dealer or agent for securities unless they are registered under the ACT. By soliciting sales of the investment contracts of investment contracts and promissory notes in **CERTUS, MOORE5** or **OAK TREE** to Alabama residents, **MOORE** and **CARTER** acted as agents of **CERTUS, MOORE5** or **OAK TREE** while not being registered with the Commission in violation of the Act.

16. 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 said security: (1) is registered under the Act; (2) the security is exempt from registration under section 8-6-10; or (3) the transaction is exempt under section 8-6-11. The securities offered by **RESPONDENTS**; to wit: the investment contracts and promissory notes, were neither registered nor subject to

perfected exemptions from registration in Alabama and were offered 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 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 **RESPONDENTS** 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 10th day of September, 2014.



ALABAMA SECURITIES COMMISSION

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BY:

Joseph P. Borg
Director