

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
) ADMINISTRATIVE ORDER
MILE HIGH BIOSCIENCE, LLC) NO. CD-2024-0028
MAYAN FARMS BELIZE, LLC)
TRACY WEAVER)
JOHN LARSON)
JAMES F. WINE)
)
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, has determined as follows:

RESPONDENTS

1. **MILE HIGH BIOSCIENCE, LLC ("MHB")** was a Colorado Limited Liability Company, with a business address of 6600 LBJ Freeway, Suite 175, Dallas, Texas, 75240. **MHB**'s registered agent during formation was Colorado Registered Agents LLC at 1942 Broadway Street, Suite 314C, Boulder, Colorado 80302.
2. **MAYAN FARMS BELIZE, LLC ("MFB")** is a Texas Limited Liability Company, with a business address of 6600 LBJ Freeway, Suite 175, Dallas, Texas, 75240.
3. **TRACY WEAVER ("WEAVER")** at all times relevant, was an Executive Officer of **MHB** and is a resident of Kansas.
4. **JOHN LARSON ("LARSON")** at all times relevant, was the Manager of **MHB** and **MFB** and is a resident of Michigan.

5. **JAMES F. WINE** (“**WINE**”) at all times relevant, was the **MHB** and **MFB** remaining one percent (1%) capital interest owner and also the primary member of American Real Estate Investments, LLC, which owns one hundred percent (100%) of **MHB** and **MFB** outstanding profit interests and ninety-nine percent (99%) of the outstanding capital interests in **MHB** and **MFB**. **WINE** is a resident of Missouri.

STATEMENT OF FACTS

6. On February 25, 2021, the Commission received information that an Alabama resident invested a total of \$150,000.00 into **MHB** and **MFB** on three separate occasions. The securities offered were made in the form of a Confidential Private Placement Memorandum (“PPM”) and evidenced by the issuance of a Promissory Note to the investor. The **MHB** PPM stated:

“The Company was formed for the purpose of processing hemp biomass into hemp crude oil, isolate, and various products used to produce cannabidiol (“CBD”). The securities offered are Notes issued by the Company with an aggregate principal amount of Three Million Five Hundred Fifty Thousand Dollars (\$3,550,000) in incremental units of One Thousand Dollars (\$1,000) with a minimum of fifty (50) units per Note, or Fifty Thousand Dollars (\$50,000) per Note, payable in cash at the time of subscription (see “Exhibit “B” for copy of Promissory Note). The minimum purchase is fifty (50) Units. One Note will be issued aggregating all of the Units acquired by each subscriber (“Subscriber” or “Investor” or “Noteholder.”) The Notes have an annual rate of return of twelve percent (12%) simple interest, paid monthly. Interest will begin to accrue at the time the investment is made.”

7. The Alabama resident entered into a Subscription Agreement and wired \$50,000 to **MHB** on March 5, 2019 for the purchase of 50 membership units from **MHB**. The Promissory Note stated the investor would earn a monthly interest payment of \$500. The investor purchased an additional 50 membership units for \$50,000 on April 24, 2019. The amended Promissory Note documenting the additional purchase stated the Alabama resident would earn a monthly interest payment of \$1,000. **LARSON**, on behalf of **MHB**, executed the Promissory Note and Subscription Agreement PPM dated February 27, 2019. The Alabama resident earned interest payments for ten (10) months following the purchase date before payments stopped.

8. The Alabama resident purchased 50 membership units from **MFB** on October 16, 2019 for \$50,000. **LARSON**, on behalf of **MFB**, executed the Promissory Note and Subscription Agreement which stated that the investor would earn a monthly interest payment of \$625. The Alabama resident did not receive any interest payments after purchase. The **MFB** PPM stated:

“The Company is in the business processing hemp biomass into hemp crude oil used to produce cannabidiol (“CBD.”). The securities offered are Notes issued by the Company with an aggregate principal amount of Two Million Five Hundred Fifty Thousand Dollars (\$2,550,000) in incremental units of One Thousand Dollars (\$1,000) with a minimum of fifty (50) units per Note, or Fifty Thousand Dollars (\$50,000) per Note, payable in cash at the time of subscription (see “Exhibit “B” for copy of Promissory Note). The minimum purchase is fifty (50) Units. One Note will be issued aggregating all of the Units acquired by each subscriber (“Subscriber” or “Investor” or “Noteholder.”) The Notes have an annual rate of return of fifteen percent (15%) simple interest, paid monthly. Interest will begin to accrue at the time the investment is made.”

9. A review of the U.S. Securities and Exchange Commission’s (“SEC”) EDGAR database disclosed that on April 10, 2019, a Form D for Rule 506(c) exemption was filed by **WEAVER** for **MHB** and on October 28, 2019, a Form D for Rule 506(c) exemption was filed by **LARSON** for **MFB**.

10. A review of the records of the Registration Division of the Commission was conducted on May 17, 2021, disclosing no record of registration or any perfected exemption from registration for the offered securities, to wit: promissory notes of **MHB** or **MFB**.

11. A review of the records of the Registration Division also disclosed no record of registration for **LARSON** or **WEAVER** as a broker dealer agent or investment advisor representative in the state of Alabama.

CONCLUSIONS OF LAW

12. Pursuant to Section 8-6-2(10), Code of Alabama, 1975, the definition of a “security” includes any note and certificate of interest or participation in any profit-sharing agreement. **MHB** executed two Private Placement Memorandums with the Alabama investor for the purchase of membership units. As part of the PPM, **MHB** executed Promissory Notes with the Alabama investor memorializing the purchase of membership units. Therefore, the purchase of membership units as defined by the Private Placement Memorandum and the Promissory Notes are securities defined by the Act.

13. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a “security” includes any note and certificate of interest or participation in any profit-sharing agreement. **MFB** executed a Private Placement Memorandum with the Alabama investor for the purchase of membership units. As part of the PPM, **MFB** executed Promissory Notes with the Alabama investor memorializing the purchase of membership units. Therefore, the purchase of units as defined by the Private Placement Memorandum and the Promissory Note are securities defined by the Act.

14. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of an “issuer” includes every person who proposes to issue or has issued any security. **MHB** and **MFB**, by issuing securities, to wit: membership units of **MHB** and **MFB**, and Promissory Notes memorializing the purchase of membership units, are issuers as defined by the Act.

15. Pursuant to Section 8-6-2(2), Code of Alabama, 1975, the definition of “agent” includes any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. By effecting the sale of **MHB** and **MFB** securities to an Alabama resident, **LARSON** and **WINE** are agents as defined by the Act.

16. Pursuant to Section 8-6-2(2), Code of Alabama, 1975, the definition of “agent” includes any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. By effecting the sale of **MHB** securities to an Alabama resident, **WEAVER** is an agent as defined by the Act.

17. Pursuant to Section 8-6-3(a), Code of Alabama, 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered with the Commission. **MHB** and **MFB** employed **LARSON** and **WINE** as unregistered agents in Alabama, in violation of the Act.

18. Pursuant to Section 8-6-3(a), Code of Alabama, 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered with the Commission. **MHB** employed **WEAVER** as unregistered agent in Alabama, in violation of the Act

19. Pursuant to Section 8-6-4, Code of Alabama, 1975, it is unlawful to offer or sell any security in this state unless it is registered or exempt under this Act. The securities offered and sold by **RESPONDENTS** were neither registered, nor subject to a perfected exemption from registration in Alabama at the time of solicitation or sale and were offered and sold in violation of the Act.

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

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under 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 respondent, 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 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 **MILE HIGH BIOSCIENCE, LLC, MAYAN FARMS BELIZE, LLC, JOHN LARSON, TRACY WEAVER, and JAMES**

F WINE immediately **CEASE AND DESIST** from offering investment advisory services into, within or from the State of Alabama.

IT IS FURTHER ORDERED, pursuant to Section 8-6-30, Code of Alabama, 1975, that **MILE HIGH BIOSCIENCE, LLC, MAYAN FARMS BELIZE, LLC, JOHN LARSON, TRACY WEAVER, and JAMES F WINE** shall provide documentation to the Commission which demonstrates compliance with Section 8-6-3(a) and 8-6-4, Code of Alabama, 1975.

Entered at Montgomery, Alabama, this 21st day of November, 2024.



ALABAMA SECURITIES COMMISSION
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BY:

AMANDA L. SENN
Director