

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
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BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF:

**AUSSIE ENTERPRISES, LLC
CASEY RYAN CARTER,**

Respondents.

**STIPULATION AND CONSENT
ORDER**

Docket No. **11-08-0059**

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The Utah Division of Securities (the Division), by and through its Director of Enforcement, Michael Hines, and Aussie Enterprises and Casey Ryan Carter, hereby stipulate and agree as follows:

1. Aussie Enterprises, LLC and Casey Ryan Carter were the subject of an investigation conducted by the Division into allegations that they violated certain provisions of the Utah Uniform Securities Act (the Act), Utah Code Ann. § 61-1-1, *et seq.*, as amended.

The investigation resulted in the filing of an order to show cause against them on May 14, 2008, and the later filing of criminal charges. The administrative hearing was stayed pending the resolution of the criminal charges. Carter pleaded guilty to securities fraud, a third degree felony, in Case No. 081401187 on July 1, 2008 resulting in a \$20,000 restitution judgment.

2. Casey Ryan Carter and the Division have agreed to settle this matter by way of this Stipulation and Consent Order.
3. Respondents admit the jurisdiction of the Division over them and over the subject matter of this action.
4. Respondents are represented by attorney Darin Goff of the law firm Stirba & Associates and are satisfied with the legal representation received.
5. Respondents have read this Order, understand its contents, and enter into this Order voluntarily. No promises or threats have been made by the Division, nor by any representative of the Division, other than as contained herein, to induce Respondents to enter into this Order.
6. Respondents waive any right to a hearing to challenge the Division's evidence and present evidence on their behalf in this matter.

7. Respondents also understand that, by entering into this Order, they give up the right to seek agency review or an appeal of this matter, administrative or judicial.

I. THE DIVISION'S FINDINGS OF FACT

THE RESPONDENTS

8. Aussie Enterprises, LLC (Aussie Enterprises) was registered as a Utah limited liability company on August 15, 2006, but its registration expired on August 15, 2007. Casey Ryan Carter is the sole manager and registered agent of Aussie Enterprises.
9. Casey Ryan Carter (Carter) is a resident of Salt Lake County, Utah.

GENERAL ALLEGATIONS

10. In or about March/April 2007, in Utah County, Carter solicited JS to invest in a hard-money real estate transaction, which would yield a return of his principal plus a 160% to 180% interest return within thirty days. During the course of this solicitation, Carter refused to provide any of the details pertaining to the real estate property other than to state that the property must be held in his name (Carter's).
11. Based upon the above high yielding investment solicitation by Carter, on March 2, 2007, per Carter's instructions, JS wire transferred \$20,000 to the Bank of American Fork for the benefit of Aussie Enterprises.

12. On or about March 4, 2007, JS became concerned about the investment and informed Carter that he wanted his money back. At this time, Carter informed him that a refund was not possible because his \$20,000 investment was not used for the real estate investment as promised. Carter stated to JS that his funds were pooled with other investors' funds to buy shares of Superior Development Group, Inc. Carter further stated the funds to buy Superior shares were sent to a Royce Teets, who was a stock promoter in the State of Florida representing MWC Group, LLC. Carter informed JS he would still receive a return of 160% to 180% within thirty days, and in addition, he was purchasing Superior shares below market value for \$1.60 although they were actually worth \$2.00. Carter also provided Carter with a copy of an *unsigned* agreement between Carter and MWC Group representing the purchase of 25,000 shares of Superior. Carter further stated that JS now owned 12,500 shares of this share block and he would receive a stock certificate shortly.
13. At the end of the thirty day investment period JS requested the return of his investment and interest but was unsuccessful. In May 2007, Carter stated he would transfer Carter's 12,500 shares of Superior to JS's brokerage account at Ameritrade. JS provided the transfer papers to Carter but Carter failed to make the transfer.

14. Over the course of the next several months, Carter repeatedly promised to liquidate JS out of his investment but failed to do so. To date, JS has not received evidence of his ownership in the real estate investment, the Superior stock certificate, \$13,400 of his principal investment or the promised return of 160% to 180%.¹
15. Investigator Dave Hermansen's (Hermansen) review of the Aussie Enterprise bank account controlled by Carter revealed that on March 6, 2007, in Salt Lake County, State of Utah, Carter did wire transfer \$50,000 to MWC Group, Royce Teets, in Miami, Florida. According to records obtained from the Florida Department of State, Division of Corporations, MWC Group was registered in April 2006 and is currently active. The registered agent is Jeff Galpren located in Boca Raton, Florida. Hermansen's search to locate Royce Teets for an interview has been unsuccessful.
16. On or about April 2, 2008, Hermansen contracted Superior to inquire of the stock owed to JS. According to a director of the company, Superior had never heard of JS, Carter, Royce Teets or MWC Group having ownership in their company.

MATERIAL MISREPRESENTATIONS AND OMISSIONS

17. In connection with the offer and sale of a security, Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

¹ On April 8, 2010, the 3rd District Court of Utah granted an order waiving the \$13,400 balance of the restitution order based on the State of Utah's "State's Request for an Order Waiving Restitution" which was premised upon the request of the victim." At that point Carter had made restitution payments totaling \$6,600.

- a. JS's investment funds would be used for a real property investment;
 - b. JS would receive a return on his investment of 160% to 180%; and
 - c. JS would receive his principal plus interest in thirty days.
18. In connection with the offer and sale of a security, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:
- a. Identities of principals in the company along with their experience in this type of business;
 - b. Financial statements of the company;
 - c. The market for the services of the company;
 - d. The nature of the competition for the services;
 - e. Current capitalization of the company;
 - f. The track record of the company to investors;
 - g. Risk factors for investors;
 - h. The number of other investors;
 - i. Discussion of pertinent suitability factors for the investment;
 - j. The location of real property to be purchased, and whether or not the property was encumbered in any way;
 - k. JS's percentage of ownership interest in the real property to be purchased;

- l. Any involvement of the issuer or the principals in certain legal proceedings, including bankruptcy and prior violation of state or federal securities laws;
- m. Any conflicts of interest the issuer, the principals, or the agent may have with regard to the investment;
- n. Agent commissions or compensation for selling investment;
- o. Whether the investment is a registered security or exempt from registration; and
- p. Whether the person selling the investment was licensed.

II. THE DIVISION'S CONCLUSIONS OF LAW

19. Based on the Division's investigative findings, the Division concludes that:
 - a. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act; and
 - b. Respondent violated § 61-1-1 of the Act by making misrepresentations of material facts and by omitting to state material facts in connection with the offer and sale of a security.

III. REMEDIAL ACTIONS/SANCTIONS

20. Respondents admit the Division's findings and conclusions and consent to the sanctions below being imposed by the Division.
21. Respondents represent that any information they provided to the Division as part of the Division's investigation of this matter is accurate.

22. Respondents agree to the imposition of a cease and desist order, prohibiting them from any conduct that violates the Act.
23. Pursuant to Utah Code Ann. § 61-1-6(1)(d) and in consideration of the guidelines set forth in Utah Admin. Code Rule R164-31-1, the Division imposes a fine of \$17,100.
24. \$6,600 of the fine amount shall be offset by restitution payments ordered by the 4th District Court of Utah in *State of Utah v. Casey Ryan Carter*, Case No. 081401187.
25. \$10,000 of the fine amount shall be held in abeyance for thirty-six months from the entry of this Consent Order. The remaining \$500 fine is due to the Division October 31, 2010.
26. If Respondents materially violate any of the terms of this Order within thirty-six months of the entry of this Consent Order, after notice and opportunity to be heard before an administrative officer, a fine of \$10,000 shall be imposed against the Respondents, jointly and severally, and become due immediately.
27. Respondents agree to cooperate with the Division, the State of Utah, and the Federal Government in any future investigations and/or prosecutions.

IV. FINAL RESOLUTION

28. Respondents acknowledge that this Order, upon approval by the Securities Commission shall be the final compromise and settlement of this matter.

29. Respondents further acknowledge that if the Securities Commission does not accept the terms of the Order, it shall be deemed null and void and without any force or effect whatsoever.
30. Respondents acknowledge that the Order does not affect any civil or arbitration causes of action that third-parties may have against them arising in whole or in part from their actions, and that the Order does not affect any criminal causes of action that may arise as a result of their conduct referenced herein.
31. The Stipulation and Consent Order constitute the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect the Order in any way.

Utah Division of Securities

Date: 7/13/10
By: [Signature]
Michael Miles
Director of Enforcement

Respondent Carter

Date: 7/13/10
By: [Signature]
Casey Ryan Carter

Approved:

[Signature]
Jeff Buckner
Assistant Attorney General
D.H.

Approved:

[Signature]
Darin Goff
Respondent Attorney

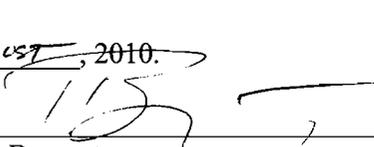
ORDER

IT IS HEREBY ORDERED THAT:

1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Respondents cease and desist from violating the Utah Uniform Securities Act.
3. The Division imposes a fine of \$17,100.
4. \$6,600 of the fine amount shall be offset by restitution payments.
5. \$10,000 of the fine amount shall be held in abeyance for thirty-six months.
6. If Respondents materially violate any of the terms of this Order within thirty-six months of the entry of this Consent Order, after notice and opportunity to be heard before an administrative officer, a fine of \$10,000 shall be imposed against the Respondents, jointly and severally, and become due immediately.
7. Respondents cooperate with the Division in any future investigations.

BY THE UTAH SECURITIES COMMISSION:

DATED this 26 day of August, 2010.



Tim Bangerter



Jane Cameron



Erik Christiansen



Laura Polacheck

Michael O'Brien

Certificate of Mailing

I certify that on the 21st day of August, 2010, I mailed, by certified mail, a true and correct copy of the Stipulation and Consent Order to:

Casey Ryan Carter
c/o Darin Goff
Stirba and Associates
215 S. State St. Ste. 750
P.O. Box 810
Salt Lake City, UT 84110-0810
Certified Mailing # 7008 1140 0007 11042 2101



Executive Secretary