

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

INTERNATIONAL REALTY & FINANCIAL)	
SERVICES INC.)	ADMINISTRATIVE ORDER
AUSTIN SHERIDAN LOWREY)	NO. CD-2012-0002
)	
<u>RESPONDENTS</u>)	

**FINAL ORDER OF FINDINGS BY COMMISSION
ON ADMINISTRATIVE ORDER NO CD-2012-0002**

The Alabama Securities Commission (“Commission”) having convened on the 5th day of June, 2012 for a formal administrative proceeding, and 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:

FINDINGS OF FACT

1. In 2007 Austin Sheridan Lowrey (“Lowrey”) contacted a resident of Alabama by telephone soliciting an investment. Said solicitation was for an investment in International Realty & Financial Services Inc. (“IRFS”). Lowrey represented that the investment proceeds would be used to finance short term loans to individuals in real estate transactions. Further, Lowrey represented to the Alabama resident, Terri Hasdorff (“Hasdorff”), that the investment would pay an interest rate of 16.5% per annum and approximately 19.8% total yield.

2. On March 23, 2007, Hasdorff authorized the issuance of check #1779 from a Colonial Bank account in the amount of \$50,000 to IRFS, in care of Lowrey, as an investment in IRFS. Lowrey deposited the check into IRFS account held at First National Bank and Trust located in Ft. Walton Beach, Florida.

3. As acknowledgement of the investment Lowrey issued a promissory note to Hasdorff promising to pay back the \$50,000 invested funds in addition to \$9,832.20 interest, with a due date of May 31, 2008. The promissory note was issued to Hasdorff on March 23, 2007, which is the same date Lowrey received and deposited the check for \$50,000 into the IRFS bank account. As of this writing the principal investment has not yet been repaid as prescribed by the promissory note.

4. On November 14, 2011, a review of the Registration files of the Alabama Securities Commission revealed no registration for IRFS or for Lowrey as a Dealer, Agent, Investment Adviser (IA), or Investment Adviser Representative (IAR) in the state of Alabama.

5. On November 14, 2011, a review of the Commission's registration files disclosed no record of registration, or any perfected exemption from registration for the promissory note caused to be issued by Lowrey and IRFS.

WHEREFORE based on the above findings, the Commission has concurred with the following conclusions :

CONCLUSIONS OF LAW

1. Pursuant to Section 8-6-2(10), Code of Alabama, 1975, the definition of a "security" includes any "note, stock, treasury stock . . . or investment contract . . ." The "promissory note", issued to Hasdorff by Lowrey and IRFS, is a security as defined by the Act.

2. Pursuant to 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. Lowrey in effecting sales of securities, to wit: the promissory note of IRFS caused to be issued by Lowrey, is an Agent as defined in the Act.

3. Pursuant to Section 8-6-3(a), Code of Alabama, 1975, it is unlawful for any person to transact business in this state as an agent or dealer for securities unless such person is registered under the Act. Lowrey by offering and selling securities, to wit: the promissory note of IRFS caused to be issued Lowrey, acted as an agent of IRFS in Alabama without benefit of registration with the Commission in violation of the Act.

4. 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 security offered and sold to Hasdorff by Lowrey and IRFS, to wit: the promissory note of IRFS caused to be issued by Lowrey, is neither registered nor exempt from registration 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.

The Commission, which convened on the 5th day of June, 2012 with Commissioners James Hart, Kevin Turner, Jim Ridling, Marlene McCain, representing a quorum, did unanimously vote to affirm and uphold the Cease and Desist Order, more specifically Administrative Order No. CD-2012-0002.

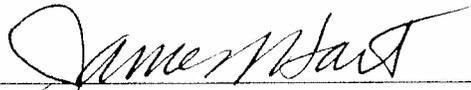
ACCORDINGLY, IT IS HEREBY ORDERED AND AFFIRMED by the Commission that:

1. The promissory note described herein is a security pursuant to the Act.
2. Lowrey did act as an Agent of IRFS in effecting the sale of a security to Hasdorff.
3. Neither Lowrey nor IRFS was properly registered in Alabama to offer or sell securities.
4. The security, to wit: the promissory note of IRFS caused to be issued by Lowrey, was not properly registered in Alabama in violation of the Act.

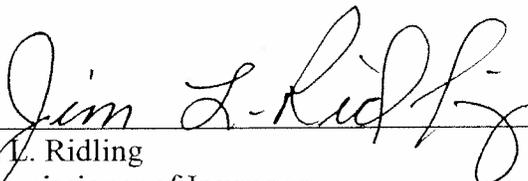
IT IS FURTHER ORDERED by the Commission, that Respondents Austin Sheridan Lowrey and International Realty Financial Services Inc. shall permanently CEASE AND DESIST from further offers and/or sales of any security into, within, or from the state of Alabama.

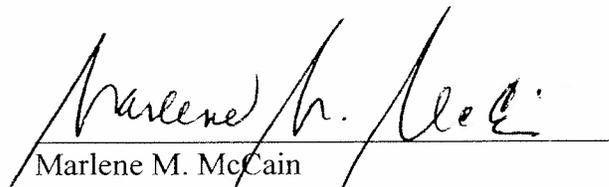
Entered on this the 18th day of June, 2012.

ALABAMA SECURITIES COMMISSION
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By: 
James L. Hart, Acting Chairman
Certified Public Accountant

By: 
Kevin Turner as proxy for Attorney General Luther Strange
Chief Deputy Attorney General

By: 
Jim L. Ridling
Commissioner of Insurance

By: 
Marlene M. McCain
Certified Public Accountant

