

FINDINGS OF FACTS

4. In November 2017, a Florida Resident (“investor”) traveled to Alabama where she met ROWLAND. During investor’s conversation with ROWLAND, he stated that he was the owner of BLACKTIE and solicited investor to invest \$20,000. The investor invested \$20,000 cash with ROWLAND who gave the investor a Promissory Note, dated November 19, 2017 to memorialize the investment. Rowland signed the promissory note as president of BLACKTIE. The promissory note also gave a security interest in the residual profits of merchant groups owned by BLACKTIE

5. While ROWLAND solicited the investor to invest \$20,000.00 with BLACKTIE, he failed to disclose material information to assist the investor relating to her investment decision. ROWLAND failed to disclose that he had been subject to a previous bankruptcy claim and was the subject of civil judgements and past federal tax liens at the time of the investment.

6. After making the \$20,000 investment, the investor received four payments totaling \$3,333.32. As of July 31, 2018, ROWLAND had made no further payments to the investor and an unpaid principal balance of \$16,666.66 remained.

7. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on April 15, 2019 disclosed no record of registration, nor any perfected exemption from registration for the securities offered, or caused to be offered, by ROWLAND or BLACKTIE.

8. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on April 15, 2019 disclosed no record of registration for ROWLAND or BLACKTIE as a broker-dealer, broker-dealer agent, investment advisor, or investment advisor representative in the state of Alabama.

9. On April 26, 2019, the Commission issued a Cease and Desist Order against RESPONDENTS. The Order was personally served on the RESPONDENTS on September 16, 2019 by an agent of the Georgia Secretary of State’s Office.

10. On or about October 9, 2019, ROWLAND met with staff of the Commission and expressed a desire to resolve the outstanding administrative order without a formal hearing. During that meeting ROWLAND represented that he could repay the principal to the investor.

11. On or about October 11, 2019, ROWLAND deposited \$16,680 into the Florida investor's account. The deposit was verified with the investor.

CONCLUSIONS OF LAW

12. Pursuant to Section 8-6-2(10), Code of Alabama 1975 included in the definition of a security is any note or evidence of indebtedness, as well as any item purporting to represent an interest or participation in any profit-sharing agreement. RESPONDENTS offered and sold a promissory note to investor which represented RESPONDENTS' debt to investor and RESPONDENTS represented that the note secured an interest against certain future profits of RESPONDENT interests. The promissory note issued by RESPONDENTS is a security under the Act.

13. Section 8-6-2(2), Code of Alabama 1975, of the Act 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. ROWLAND represented BLACKTIE in effecting a transaction in a security with the investor and is an Agent under the Act.

14. Pursuant to Section 8-6-17(a)(2), Code of Alabama 1975, it is unlawful for a person, in connection with the offer, sale or purchase of a security, to make any untrue statement or to omit a material fact necessary to make the statements made not misleading. RESPONDENTS failed to disclose ROWLAND's substantial history of financial problems, including bankruptcies, tax liens, and outstanding debts which constitutes fraudulent conduct under the Act.

WHEREAS, RESPONDENTS understand the Commission relied upon information and assertions made by RESPONDENTS in its determination to accept this Order and that should such information or assertions prove to be incorrect or misrepresented, the Commission may seek such

other administrative, civil or criminal remedies that may be available to it under the provisions of the Act.

WHEREAS, RESPONDENTS have voluntarily waived all rights to a hearing upon entry of this Order, and have consented to the entry of this Order, and

WHEREAS, the Commission finds this Order appropriate for the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act, and

WHEREAS, the Commission and RESPONDENTS are desirous of settling this matter as hereafter set forth and agree to the entry of this Order.

ACCORDINGLY, IT IS HEREBY ORDERED:

1. This Order concludes the Investigation and finalizes the Cease and Desist Order issued against **RESPONDENTS**. This Order is entered into solely for this purpose and is not intended to be used for any other purpose. This Order does not resolve or settle any violation or potential violation of the Alabama law that the Commission may become aware of after the entry of this order.
2. **RESPONDENTS** are barred from participation in the securities industry in this State and prohibited from the offer or sale of any security, into, within or from the State of Alabama.
3. **RESPONDENTS** shall pay a to the state of Alabama Securities Commission \$2,000 as a partial reimbursement for the Commission's cost of investigating this matter, pursuant to Section 8-6-19(k)(1), and \$3,000 as a civil money penalty, pursuant to Section 8-6-19(j)(1). Any payment made by Respondents shall be tendered in certified funds.

AGREED AND CONSENTED to on the dates indicated:

BRUCE ROWLAND D/B/A BLACKTIE CAPITAL INVESTMENTS

Bruce Rowland
Bruce Rowland

5/11/2020
Date

Bruce Rowland
ORIGINAL

5/11/2020

Entered at Montgomery, Alabama this 30th day of JUNE, 2020.



ALABAMA SECURITIES COMMISSION
445 Dexter Ave, Suite 1200
Montgomery, AL 36130-4700
(334) 242-2984

BY: *[Signature]*

JOSEPH P. BORG
Director

EDWIN L REED
DEPUTY DIRECTOR