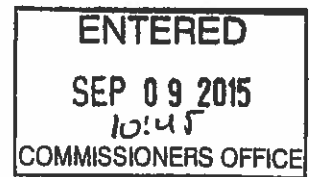


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COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2015-AH-00046

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

BILLY RAY HODGE

RESPONDENT

FINAL ORDER

This matter is before the Commissioner of the Kentucky Department of Financial Institutions (“DFI”) pursuant to KRS 292.470 and 808 KAR 10:225. The Commissioner hereby enters this Final Order against Billy Ray Hodge pursuant to KRS Chapter 292, the Securities Act of Kentucky (“the Act”).

FINDINGS OF FACT

1. The DFI is responsible for administering the provisions of the Act, as well as any applicable rules, regulations and orders entered pursuant to the Act.
2. The Respondent, Billy Ray Hodge, was the incorporator of Outback Solutions, Inc. and a Director of Outback Solutions, Inc. Hodge’s last known address is 218 Odell Court, Taylorsville, KY 40071.
3. Outback Solutions, Inc. was a Kentucky corporation whose principal office was located at 14 Battery Lane, Fisherville, KY 40023. Outback Solutions, Inc. was administratively dissolved on September 10, 2011.

4. On May 25, 2010, Hodge executed a promissory note under the terms of which he borrowed \$8,000 from Doug Davis Jr. to be repaid with interest no later than May 25, 2011.

5. On August 4, 2010, Hodge offered to sell and sold two hundred fifty-two (252) shares of Outback Solutions' common stock to Davis. Davis accepted the common stock as payment of the entire amount Hodge owed on the promissory note.

6. Outback Solutions' common stock has never been registered with the DFI.

7. On June 3, 2015, the DFI filed an Administrative Complaint against Hodge seeking the imposition of a cease and desist order for Hodge's violations of the Act. The Administrative Complaint contained a notice that a written answer with a request for a hearing must be filed with the DFI within twenty (20) days of service of the Administrative Complaint.

8. A copy of the Administrative Complaint was sent to Hodge's last known address by certified mail return receipt requested and by first class mail.

9. The envelope containing a copy of the Administrative Complaint sent by certified mail was returned to the DFI by the United States Post Office on June 30, 2015 and labelled "return to sender- attempted- unclaimed- unable to forward." The envelope containing a copy of the Administrative Complaint sent by first class mail was not returned to the DFI.

10. More than twenty (20) days have passed since the envelope containing the copy of the Administrative Complaint sent by certified mail was returned to the DFI. Hodge has not filed a written answer to the Administrative Complaint or requested a hearing.

STATUTORY AUTHORITY

11. KRS 292.470(3)(a) authorizes the DFI's commissioner to issue a final order, after notice and opportunity for a hearing, containing findings of fact and conclusions of law, directing any person that engaged in activity constituting a violation of the Act to cease and desist from the activity.

12. 808 KAR 10:225 Section 2(3) states that if a written answer to the Administrative Complaint is not filed with the DFI, the Commissioner shall enter a final order granting the relief requested in the Administrative Complaint.

CONCLUSIONS OF LAW

13. Pursuant to KRS 292.310(19), the definition of security includes "stock." The shares of Outback Solutions' common stock offered and sold by Hodge meet the definition of security in KRS 292.310(19).

14. Pursuant to KRS 292.340, "[i]t is unlawful for any person to offer or sell any security in this state, unless the security is registered under this chapter, or the security or transaction is exempt under this chapter, or the security is a covered security." Hodge violated KRS 292.340 by offering to sell and selling securities in Outback Solutions even though the securities were not registered, exempt from registration, or covered securities.

15. Service of the Administrative Complaint on Hodge was completed on June 30, 2015 pursuant to KRS 13B.050(2). Hodge did not file a written answer or otherwise request a hearing. Therefore, it is appropriate to enter this Final Order granting the relief requested in the Administrative Complaint.

ORDER

THEREFORE, based upon the foregoing Findings of Fact, Statutory Authority, and Conclusions of Law, the Commissioner **HEREBY ORDERS**:

1. The Respondent, Billy Ray Hodge, shall **CEASE AND DESIST** from violating KRS 292.340 by offering or selling unregistered stock in Outback Solutions, Inc.
2. The Respondent, Billy Ray Hodge, shall **CEASE AND DESIST** from committing or causing any other violations of and any future violations of the Act.
3. This is a **FINAL AND APPEALABLE ORDER**. The **EFFECTIVE DATE** of this order shall be the date reflected on the certificate of service attached to this order.

IT IS SO ORDERED on this the 9th day of September 2015.



CHARLES A. VICE
COMMISSIONER

NOTICE OF APPEAL RIGHTS

Pursuant to KRS 292.490, you are hereby notified that you have the right to appeal this Final Order of the Commissioner. If you choose to appeal, you must file a written petition asking that the order be modified or set aside in whole or in part with the Franklin Circuit Court within thirty (30) days after entry of this Order. A copy of the petition must be served upon the Commissioner.

Certificate of Service

I hereby certify that a copy of the foregoing **Final Order** was sent by certified mail, return receipt requested, on this the 9th day of September, 2015, to:

Billy Ray Hodge
218 Odell Court
Taylorsville, KY 40071

And hand delivered to:

Hon. Simon Berry
Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601



Kelly Childers
Department of Financial Institutions