

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
ADMINISTRATIVE ACTION NO. 16-AH-00112



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

**AGREED ORDER**

BRUCE WAYNE HANKS  
and WEALTH MANAGEMENT OF KENTUCKY, INC.

RESPONDENTS

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**A. FACTUAL BACKGROUND**

1. The Kentucky Department of Financial Institutions, (“DFI”) is responsible for administering the provisions of Kentucky Revised Statutes (KRS) Chapter 292, the Securities Act of Kentucky (“the Act”), as well as any applicable rules and regulations enacted thereunder.

2. Wealth Management of Kentucky, Inc, (“WMK”), CRD# 171446, is a Kentucky registered investment adviser. WMK’s business address is 870 Corporate Drive, Suite 401, Lexington, KY 40503.

3. Bruce Wayne Hanks (“Hanks”), CRD# 2916399, is an individual whose last known address is 4822 Hartland Parkway, Lexington, KY 40515. Hanks is the managing member of WMK and is registered with the DFI as an investment adviser representative with WMK.

4. WMK and Hanks are collectively referred to as “Respondents”.

5. On September 10, 2014, Respondents and T.R. executed a \$5,000.00 “note” and T.R. provided WMK with a check for \$5,000.00. The note was signed by Hanks as “President and

CEO” of WMK. The principal was supposed to be repaid with interest no later than eight (8) months (May 10, 2015) after execution of the note.

6. The note was a security.
7. The note was not registered as a security with the DFI.
8. Based upon the facts set forth in paragraphs two (2) through seven (7), the DFI has alleged that Respondents violated the Act.

### **STATUTORY AUTHORITY**

9. Pursuant to KRS 292.310(19), a “[s]ecurity” means any note, ...”.
10. Pursuant to KRS 292.340, “[i]t is unlawful for an 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.”
11. The Commissioner possesses a range of administrative authority in addressing violations of the Act, including the imposition of fines up to twenty thousand dollars (\$20,000.00) for each violation of the Act. See KRS 292.470 and KRS 292.500.
12. The Commissioner finds that this Agreed Order is in the public interest.

### **CONCLUSIONS OF LAW**

13. Respondents violated KRS 292.340.

## **AGREEMENT AND ORDER**

14. To resolve this matter without litigation or adversary proceedings, the DFI and Respondents agree to compromise and settle all claims arising from the above referenced factual background in accordance with the terms set forth herein.

15. The DFI and Respondents, in the interest of economically and efficiently resolving this matter, agree as follows:

a. Respondents shall pay a fine in the amount of two thousand five hundred dollars (\$2,500.00). The fine shall be due no later than that date this Agreed Order is tendered to the DFI. Payment shall be in the form of a certified check or money order made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Securities Division – Order, 1025 Capital Center Drive, Suite 200, Frankfort, KY 40601.

b. Respondents shall cease and desist from any further violations of the Securities Act of Kentucky.

16. Respondents waives their right to demand a hearing at which it would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on their own behalf, or to otherwise appeal or set aside this Agreed Order.

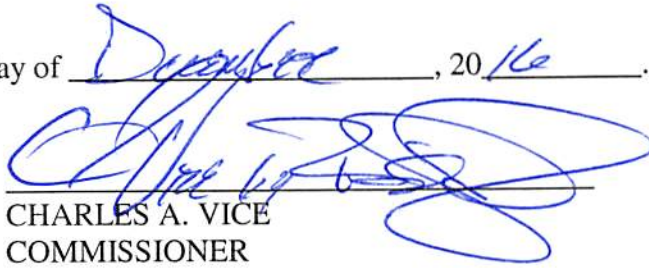
17. Respondents consents to and acknowledges the jurisdiction of the DFI over this matter and that this Order is a matter of public record and may be disseminated as such.

18. In consideration of execution of this Agreed Order, Respondents, for themselves and for their successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, the DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity,

that Respondents, ever had, now have, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this Agreed Order.

19. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties. This Settlement Agreement shall constitute the final resolution of this matter.

AGREED on this the 27<sup>th</sup> day of December, 2016.

  
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CHARLES A. VICE  
COMMISSIONER

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**Consented to:**

This 16 day of DECEMBER, 2016.

Shonita Bossier  
Shonita Bossier, Director  
Division of Securities  
Department of Financial Institutions

**AND**

This 13<sup>th</sup> day of December, 2016.

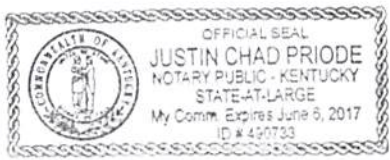
Bruce Wayne Hanks Bruce Wayne Hanks  
Bruce Wayne Hanks, CRD# 2916399 Authorized Representative of Wealth Management  
of Kentucky, Inc, CRD# 171446

**ACKNOWLEDGEMENT**

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF Fayette )

On this 13<sup>th</sup> day of December, 2016, before me  
Justin Priode, Notary Public, **Bruce Wayne Hanks**, individually and as the  
Authorized Representative of **Wealth Management of Kentucky, Inc.**, did personally appear and  
that he, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 06/06/2017



Justin Priode  
Notary Public

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of this Agreed Order was served by certified mail, return receipt request, on:

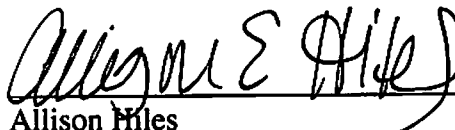
Bruce Wayne Hanks, President  
Wealth Management of Kentucky, Inc.  
870 Corporate Drive, Suite 401  
Lexington, KY 40503

AND

By hand-delivery to:

Hon. Gary W. Adkins  
Kentucky Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, KY 40601

On this 28 day of December, 2016.



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Allison Hiles  
Kentucky Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, KY 40601