

**COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE ACTION NO. 2005-AH-001**

OFFICE OF FINANCIAL INSTITUTIONS

PETITIONER

vs.

COBBLER'S CAFÉ, LLC
JAYME S. BURDEN

RESPONDENTS

* * * * *

FINAL AGREED ORDER

Findings of Fact

1. On or about February 8, 2005 the Petitioner filed an administrative complaint against the Respondents alleging it had received an anonymous complaint that the Respondents had engaged in solicitations for the purchase of interests in Cobbler's Café, LLC, a restaurant enterprise, located in Elizabethtown, Kentucky. Based on the description of the solicitations, the Petitioner believed that such solicitations could be construed as securities, as that term is defined in KRS Chapter 292, requiring registration of such an offering and those persons who might be offering same for sale.

2. In an attempt to determine whether the Respondents had engaged in the sale or offering to sell securities, the Petitioner alleged it attempted to contact Jayme S. Burden on different occasions. Jayme S. Burden, individually and on behalf of Cobbler's Café, LLC, alleges that he attempted to return the Petitioner's phone calls but was unable to reach the Petitioner's employee, Chad Harlan.

3. On March 1, 2005 the Petitioner received a written response, signed by Jayme S. Burden, to its administrative complaint. The Respondents allege, in addition to the allegation mentioned in paragraph #2 above, that neither Burden or Cobbler's Café, LLC solicited investments in the café and the aforementioned solicitations were only considered as an option. In fact, states Mr. Burden, all monies used in the café business were funds of Jayme S. Burden and Kristi Burden or were sums borrowed by them for that purpose.

4. Since the Petitioner has no evidence that investments from the public were ever made in Cobbler's Café, LLC, it accepts the allegations made in paragraph #3 above as true.

Conclusions of Law

1. The Respondents have technically violated KRS 292.340 by offering investments in Cobbler's Café through an engagement letter, a subscription agreement, and a Private Placement Memorandum. Contrary to the Respondents' response herein at paragraph #3, the Private Placement Memorandum used by Cobbler's Café, as mailed to the Petitioner by an anonymous party, is not designated as a "sample" PPM. Use of this PPM by the Respondents, though only offered to family or friends, constitutes an offer of investment in Cobbler's Café and, hence, it should have been registered with the Office of Financial Institutions.

Order

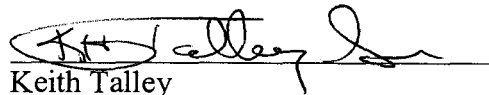
The Respondents, Cobbler's Café, LLC and Jayme S. Burden, shall not engage in the business of offering or selling securities to or from the Commonwealth of Kentucky

unless said offering and/or sale conforms to all statutes, rules, and regulations of the United States and the Commonwealth of Kentucky.

Appeal Rights

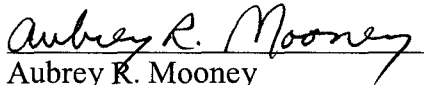
The foregoing Findings of Fact, Conclusions of Law, and Order constitute a Final Order of the Deputy Executive Director of the Office of Financial Institutions.

Entered this 21st day of March, 2005.

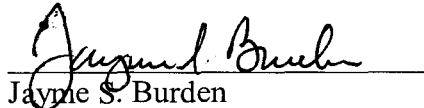


Keith Talley
Deputy Executive Director
Acting Executive Director
Office of Financial Institutions
1025 Capital Center Dr., Suite 200
Frankfort, KY 40601
(502) 573-3390

I have read the foregoing Final Agreed Order and understand that my signature affixed hereto represents understanding of and consent to the provisions of same including the Findings of Fact, Conclusions of Law and the Order.



Aubrey R. Mooney
Counsel for the Petitioner
Dated: 3-4-05



Jayme S. Burden
Individually
Dated: 3-11-05



Cobbler's Café, LLC
By Jayme S. Burden, President
Dated: 3-11-05