



COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS

**Kentucky Department of  
Financial Institutions,**

Complainant;

v.

**Rose and Associates LLC,**

**John Rose, and**

**Joseph Montgomery;**

Respondents.

DFI Administrative  
Action Number:

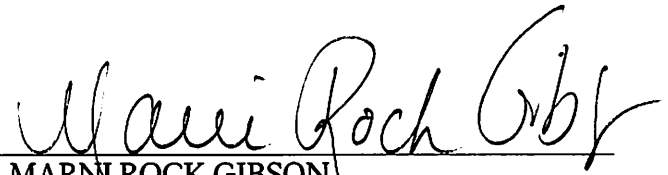
**2024-AH-0016**

**Final Order**

The parties to this matter having agreed to dismiss this action by the execution of the below Consent Agreement (Exhibit A), **IT IS HEREBY ORDERED:**

1. Administrative action no. 2024-AH-0016, *Kentucky Department of Financial Institutions v. Rose and Associates LLC, John Rose, and Joseph Montgomery* is **DISMISSED WITH PREJUDICE;**
2. Respondents John William Rose and Joseph Gail Montgomery shall each separately pay a civil fine in the amount of \$5,000.00, due and payable within sixty days upon entry of this Final Order; and

3. Respondents John William Rose, Joseph Gail Montgomery, and Rose and Associates LLC are each **BANNED** for a period of ten years following the entry of this Final Order from issuing, offering, or selling securities in Kentucky or to Kentucky residents; and from acting as officer, director, executive, manager, promoter, or agent (within the meaning of KRS 292.310(1)) of any issuer of securities in Kentucky.

A handwritten signature in black ink, reading "Marni Rock Gibson", written over a horizontal line.

MARNI ROCK GIBSON  
Commissioner  
Kentucky Department of Financial Institutions  
500 Mero Street  
2 SW 19  
Frankfort, Kentucky 40601

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic delivery to the following on the 21 day of August, 2025:

Michael Barnett  
Michael.Barnett@ky.gov  
*Counsel for the Kentucky Department of  
Financial Institutions*

Scott Mattmiller  
Mattmiller, PLLC  
SMattmiller@mattmillerlawky.com  
*Counsel for Respondents*

Allison Reed  
Allison.Reed@ky.gov  
*Records Custodian for the Kentucky  
Department of Financial Institutions*

Allison Reed by Victoria Ward-Bishop  
Name

Executive Staff Advisor  
Title

# EXHIBIT A

to the Kentucky Department of Financial  
Institutions' Final Order Against John  
William Rose and Joseph Gail Montgomery

Consent Agreement

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS

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Respondents.

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Action Number:

**2024-AH-0016**

**Consent  
Agreement**

**Whereas** the Complainant, the Kentucky Department of Financial Institutions (the “Department”) filed an Administrative Complaint, numbered 2024-AH-0016, against Respondents on June 28, 2024; and

**Whereas** the parties to this action are presently in discovery; and

**Whereas** the parties mutually agree to resolve Administrative Action No. 2024-AH-0016 by entry of a final order consistent with the terms of this **Consent Agreement**;

The parties to this action hereby agree as follows:

## **PARTIES**

1. The Kentucky Department of Financial Institutions (the “Department”) and its Commissioner are 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, regulations and orders entered pursuant to the Act, and are responsible under the Act for regulating the offer and sale of securities in Kentucky.

2. Respondent Rose and Associates LLC (“R&A”) is an inactive Kentucky limited liability company in bad standing with the Kentucky Secretary of State, with its registered principal office and address for service of process of 1209 Yorkshire Estates Road, London, Kentucky 40744. Respondent Rose is R&A’s organizer and registered agent.

3. Respondent John William Rose is a Kentucky resident with an address of 3462 Snaffle Road, Lexington, Kentucky 40513. Rose is the manager and a 50% equity owner of R&A.

4. Respondent Joseph Gail Montgomery is a Kentucky resident with an address of 3668 Amick Way, Lexington, Kentucky 40509. Montgomery is a 50% equity owner of R&A.

## **STATEMENT OF FACTS**

5. On October 8, 2020, the Department received a complaint from an investor in a hemp project offered and sold by the Respondents.

6. The Department commenced an investigation, through which the following facts were developed.

7. Respondents Rose and Montgomery formed R&A to solicit investor funds to purchase certain hemp crops, already in the ground, grown by a Kentucky farmer.

8. The hemp-investment prospectus offered and sold by Respondents constituted an investment contract issued by R&A and thus a security under KRS 292.310.

9. Respondents never registered themselves or that security with the Department.

10. Respondents raised at least \$1,957,500 from various individuals and companies.

11. The Department contends that Respondents issued a prospectus to potential investors which contained material misstatements about the investment offering.

12. The Department contends that Respondents communicated other statements to current and potential investors which, in the light in which they were made, constituted fraud.

## **AGREEMENT**

13. The Respondents neither admit nor deny the facts above nor deny any violations of Kentucky law. Nevertheless, in the interest of economically and efficiently

resolving the violations described herein, and to resolve this matter without further litigation, Respondents and the Department agree to compromise and settle all claims arising from the above-referenced factual background in accordance with the terms set forth herein.

14. Respondents Rose and Montgomery agree to pay separate civil fines in the amount of \$5,000.00 each, due and payable within sixty days upon entry of a final order in this matter.

15. All fine payments under this Consent Agreement shall be in the form of an ACH payment made via secure website, pursuant to instructions provided to counsel for Rose and Montgomery by the Department, or via certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Securities Division, 2024-AH-0016, 500 Mero Street, 2 SW 19, Frankfort, Kentucky 40601.

16. The entry of a final order in this matter shall act to ban each Respondent; for a period of ten years following the entry of that final order; from issuing, offering, or selling securities in Kentucky or to Kentucky residents; and from acting as officer, director, executive, manager, promoter, or agent (within the meaning of KRS 292.310(1)) of any issuer of securities in Kentucky.

17. Respondents each consent to and acknowledge the jurisdiction of the Department over this matter and recognize that this Consent Agreement, and any final order issuing in this matter, is a matter of public record and may be disseminated as such.



18. In consideration of the execution of this Consent Agreement, Respondents for themselves and for their successors and assigns, hereby release and forever discharge the Commonwealth of Kentucky, the Department, the 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 may claim to have against any or all of the persons or entities identified in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement, or its administration.

19. In consideration of the execution of this Consent Agreement, the Department shall effectuate a dismissal of this administrative action.

20. By signing below, the parties acknowledge they have read the foregoing Consent Agreement, know and fully understand its contents, and that they are authorized to enter into and execute this Consent Agreement and to legally bind their respective parties.

**Consented to by:**

*On behalf of the Kentucky Department of Financial Institutions,*

This 7th day of August, 2025:

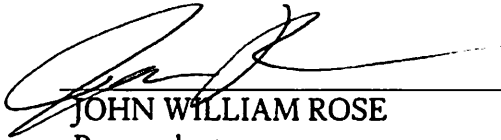
*Chad Harlan*

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CHAD HARLAN  
Assistant Director, Division of Securities  
Kentucky Department of Financial Institutions

**and consented to by:**

This 22 day of July, 2025:

  
\_\_\_\_\_  
JOHN WILLIAM ROSE  
Respondent  
*On behalf of himself and Rose and Associates LLC*

**ACKNOWLEDGEMENT**

STATE OF Kentucky }  
COUNTY OF Fayette }

**Samantha Lynn Harper**  
Notary Public, ID KYNP62381  
State at Large, Kentucky  
My Commission Expires on Nov. 21, 2026

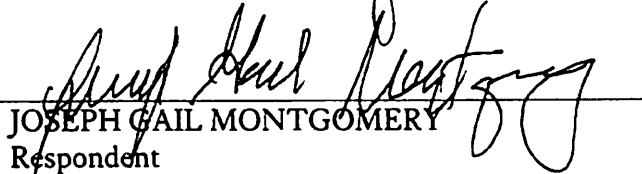
On this the 22 day of July, 2025, before  
me Samantha Lynn Harper, John William Rose personally appeared, acknowledged  
himself to be the Respondent named herein, acknowledged he had the authority to bind  
Rose and Associates LLC to the foregoing Consent Agreement, and acknowledged that he  
entered into and executed the foregoing Consent Agreement for the purposes therein  
contained.

My commission expires: 11-21-2026

  
\_\_\_\_\_  
Notary Public

and consented to by:

This 22<sup>nd</sup> day of July, 2025:

  
JOSEPH GAIL MONTGOMERY  
Respondent  
*On behalf of himself and Rose and Associates LLC*

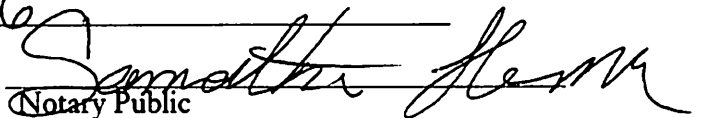
**ACKNOWLEDGEMENT**

STATE OF Kentucky }  
COUNTY OF Fayette }

**Samantha Lynn Harper**  
Notary Public, ID KYNP62381  
State at Large, Kentucky  
My Commission Expires on Nov. 21, 2026

On this the 22 day of July, 2025, before  
me Samantha Lynn Harper, Joseph Gail Montgomery personally appeared,  
acknowledged himself to be the Respondent named herein, acknowledged he had the  
authority to bind Rose and Associates LLC to the foregoing Consent Agreement, and  
acknowledged that he entered into and executed the foregoing Consent Agreement for  
the purposes therein contained.

My commission expires: 11-21-2026

  
Notary Public