



ARIZONA CORPORATION COMMISSION

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Commission Sanctions Phoenix Inventor and Two Others for Securities Violations

Cautions Investors about the Risks of Alternative Investment Programs

PHOENIX—Thursday the Arizona Corporation Commission sanctioned a Phoenix man who committed securities fraud in connection with a displayable money vault invention. In two other cases, the Commission ordered a Gilbert man to pay restitution and an administrative penalty for fraudulently selling unregistered promissory notes, and penalized a Buckeye man for his improper general solicitation of investor funds in connection with a referral website for recreational motorsport products and services. Also, the Commission urged investors to understand the risks of investing in these types of alternative investment programs. For additional information please contact: Arizona Corporation Commission's Securities Division, 602.542.4242 or toll free in Arizona, 866.VERIFY.9 (837.4399), or email info@azinvestor.gov.

Weldon Beall and Weldon, LLC

The Commission ordered Phoenix inventor Weldon Beall and his affiliated company, Weldon, LLC, to make a rescission offer totaling \$246,000 available to investors and to pay a \$9,000 administrative penalty for committing securities fraud in connection with the development of a displayable money vault. The Commission found that, while not registered to offer or sell securities in Arizona, Beall fraudulently sold unregistered investments to 11 investors. The Commission found that Beall met potential investors at work as well as local bars and restaurants, representing at one point that he had signed a \$51 million contract with Hard Rock Café Casinos to purchase his displayable money vault. The Commission found, however, that Beall and his affiliated company did not have a multimillion dollar contract with Hard Rock, and although Beall had filed a U.S. patent for his displayable money vault design, the patent was in Beall's name and not in the name of his company as was represented in promissory notes issued to the investors.

Brian N. Buckley

In another case, the Commission ordered Brian N. Buckley of Gilbert to pay \$160,000 in restitution and a \$15,000 administrative penalty for fraudulently offering and selling unregistered promissory notes. The Commission found that Buckley was not registered as a securities salesman in Arizona when he offered and sold the promissory notes issued by Tri-Core Mexico Land Development, LLC, Tri-Core Companies, LLC, ERC Compactors, LLC and C&D Construction Services, Inc. The Commission found that Buckley represented the alternative investments as being secured by property or equipment, but failed to provide any collateral or other mechanism to securitize the promissory notes. Additionally, the Commission found that Buckley failed to disclose the existence of outstanding tax liens against the manager of Tri-Core Mexico Land Development. Further, the Commission found that Buckley misrepresented that certain offerings would be sold by registered securities dealers and salesmen who were members of a self-regulatory organization, the National Association of Securities Dealers (NASD), and who had entered into a participatory agreement with the issuers. In settling this matter,

Buckley neither admitted nor denied the Commission's findings, but agreed to the entry of the consent order.

Robert J. Dudek and Ride Hard and Pray, LLC

A separate matter involved Buckeye resident Robert J. Dudek and his affiliated company, Ride Hard and Pray, LLC, who agreed to pay a \$1,000 administrative penalty for their improper general solicitation of investor funds. The Commission found that Dudek manages Ride Hard and Pray, a limited liability company operating an online referral service for recreational motorsport products and services. The Commission found that, while not registered to offer or sell securities in Arizona, Dudek and Ride Hard and Pray attempted to raise capital through an investment program by advertising Ride and Pray's website between March and August 2013 and on Craigslist.com in August and early September 2013. Further, the Commission found no investment funds were raised and the online ads were promptly removed after notice of the Commission's cease and desist order. In settling this matter, Dudek admitted to the Commission's findings and agreed to the entry of the consent order.

More caution for investors:

The Commission reminds investors to consider the risks associated with alternative investments such as promissory notes and other entrepreneurial type of investment programs, which must either be registered with the Commission's Securities Division or have qualified for an exemption from registration. When considering alternative investment programs, investors should request proper written information such as a prospectus or offering materials before they invest. The documentation should contain enough clear and accurate information to allow investors or their advisers to evaluate and verify the particulars of the investment.

Even when investing with someone they know investors should verify the registrations of sellers and investment opportunities and investigate disciplinary histories by contacting the Arizona Corporation Commission's Securities Division: 602.542.4242 or toll free in Arizona, 1.866.VERIFY-9 (837.4399), or via Email: info@azinvestor.gov. The Securities Division's investor education website has helpful information about investing in promissory notes and other alternative investments: http://www.azinvestor.gov/Investment_Products_Index.asp.

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