

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

STATE OF IDAHO, Department of Finance,  
Securities Bureau,

Complainant,

vs.

RAY LEO GIRARD, and  
MLC ENTERPRISES UNLIMITED, LLC,

Respondents.

Docket No. 2019-7-03

**AGREEMENT AND ORDER**

The Director of the Department of Finance, State of Idaho ("Director") has instituted an investigation into the conduct of Ray Leo Girard and MLC Enterprises Unlimited, LLC ("Respondents"). Pursuant to said investigation, it appears that violations of the *Idaho Uniform Securities Act (2004)* ("Act"), *Idaho Code §30-14-101 et seq.*, have occurred. The Director, Ray Leo Girard, and MLC Enterprises Unlimited, LLC have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order ("Order") be entered and the Respondents consent to the entry of this Order.

**RESPONDENTS**

1. **Ray Leo Girard** ("Girard") is a 58-year-old male residing at 881 Wingate, Pocatello, Idaho. Girard is the owner of MLC Enterprises Unlimited, LLC, Portneuf River Properties, and had previously been a co-owner of Live Epic Display, LLC in 2007. Girard filed for Chapter 7 bankruptcy in 2013, which was discharged on January 27, 2014. Girard is currently a producer for Allstate Insurance Company and has been licensed with the Idaho Department of Insurance since July 2018. Girard has never been registered as an investment adviser nor has he ever held a securities license.
2. **MLC Enterprises Unlimited, LLC** ("MLC") was initially registered as The Falcon Group, LLC in Idaho on October 19, 2015 by Girard. The business name was changed to MLC on January 29, 2016.

## BACKGROUND

3. The Department alleges that Girard (an agent of MLC) offered and sold securities in the form of a limited partnership in a limited liability company ("investment contract"). The investment contract was sold to one Idaho couple in an aggregate amount of seventy-four thousand seven hundred dollars (\$74,700).
4. The securities issued by MLC were not registered, nor did they qualify for an exemption of the registration requirements.
5. Girard was not registered to sell securities in Idaho, nor did he qualify for an exemption of the registration requirements.

## FINDINGS OF VIOLATIONS

### OFFER & SALE OF UNREGISTERED SECURITIES

6. Investments in investment contracts, which includes interest in a limited partnership and a limited liability company, are "securities" as defined by *Idaho Code §30-14-102(28)*.
7. Pursuant to *Idaho Code §30-14-301*, it is unlawful for a person to offer or sell a security in this state unless: (a) The security is a federal covered security; (b) The security, transaction or offer is exempted from registration under sections 30-14-201 through 30-14-203, Idaho Code; or (c) The security is registered under this chapter.
8. Girard, as an agent of MLC, sold securities in the form of investment contracts. The securities were not registered, nor did they qualify for a registration exemption at the time they were sold, in violation of *Idaho Code §30-14-301*.

### OFFER & SALE OF SECURITIES BY AN UNREGISTERED AGENT

9. *Idaho Code §30-14-102(2)* defines an "agent" as an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or who represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities.

10. Pursuant to *Idaho Code §30-14-402*, it is unlawful for an individual to transact business in this state as an agent unless the individual is registered under this chapter as an agent or is exempt from registration as an agent under subsection (b) of this section.
11. Girard, as an agent of MLC, assisted MLC in the offer and sale of securities to at least one Idaho residents. Girard was not registered to sell securities, nor did he qualify for a registration exemption at the time the securities were sold, in violation of *Idaho Code §30-14-402*.

### ACKNOWLEDGMENT AND REMEDIES

12. To economically and efficiently resolve the pending dispute; the parties agree to entry of this Agreement and Order in lieu of other proceedings.
13. Respondents admit to the Complainant's findings of facts and conclusions of law set forth in this Order.
14. Respondents hereby waive any rights they may have to notice and opportunity for hearing on this matter.
15. Respondents agree to pay restitution in the amount of seventy-four thousand seven hundred dollars (\$74,700.00).
16. Respondents agree to pay a civil penalty of twenty thousand dollars (\$20,000) for the violations of the Act, pursuant to *Idaho Code §30-14-604(d)*. The Department agrees to reduce the penalty to \$3,000 if Girard complies with the terms of this Order.
17. Respondents agree to not now, nor in the future, offer or sell securities in, into, or from Idaho without complying with the requirements of the Act and its rules.
18. Respondents agree to not claim the availability of, use, or offer or sell securities under any exemptions under the Act without giving written notice to the Director. Said written notice shall be provided at least ten (10) day in advance of the proposed activities in Idaho.

19. In the event that either Girard or MLC commit future violations of the Act or fail to adhere to the terms of this Order, respondents acknowledge that the Idaho Department of Finance can incorporate the allegations giving rise to this Order in any future proceeding.

AGREED TO and ACKNOWLEDGED this 25<sup>th</sup> day of NOVEMBER, 2019.

RL  
RAY LEO GIRARD

PARTNER  
MLC ENTERPRISES UNLIMITED, LLC

By: RAY LEO GIRARD / PARTNER  
Printed Name and Title

IT IS SO ORDERED

DATED this 27th day of November, 2019.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Mary Hughes  
MARY HUGHES, Acting Director of Finance

