

**ADMINISTRATIVE PROCEEDING**

**BEFORE THE**

**SECURITIES COMMISSIONER OF SOUTH CAROLINA**

**IN THE MATTER OF:** )  
 ) **ORDER TO CEASE AND DESIST**  
**Todd A. Blasena,** )  
 ) **File No. 10051**  
 ) **Respondent.** )  
\_\_\_\_\_ )

WHEREAS, the Securities Division of the Office of the Attorney General of the State of South Carolina (the "Division"), pursuant to authority granted in the South Carolina Uniform Securities Act of 2005 (the "Act"), S.C. Code Ann. § 35-1-101 to 35-1-703 (Supp. 2010), on or about August 16, 2010, received information regarding alleged activities of Todd A. Blasena (the "Respondent") which, if true, would constitute violations of the Act; and

WHEREAS, the information led the Division to open and conduct an investigation of the Respondent pursuant to S.C. Code Ann. § 35-1-602; and

WHEREAS, in connection with the investigation, the Division has determined that evidence exists to support the following findings and conclusions:

1. The Respondent is a Florida resident with a last known address of 13821 Lake Mahogany Boulevard, Fort Meyers, Florida 33907.
2. The Respondent was a member of Metro Marketplace, LLC, a Florida company.
3. In or around 2006, Metro Marketplace, LLC was represented as being responsible for construction of a shopping center at 10650 Metro Parkway, Fort Meyers, Florida.
4. The Respondent offered investment opportunities in Metro Marketplace, LLC to persons in several states, including at least one resident of the State of South Carolina.

5. The Respondent also offered promissory notes to persons in several states, including at least one resident of the State of South Carolina.
6. South Carolina resident JB was introduced to the Respondent through a relative who had already invested with the Respondent.
7. Respondent offered JB both the Metro Marketplace, LLC and the promissory note investment opportunity (collectively, the "Opportunities").
8. In soliciting JB Respondent represented funds JB invested in the Opportunities would be used to finish development of the Metro Marketplace Shopping Center.
9. In connection with the offers, Respondent also made several statements concerning the status of the shopping center and provided JB with advertising materials related to the shopping center.
10. Representations made to JB concerned the current status of the project, the number of units allegedly rented, and more.
11. In connection with the promissory note opportunity, Respondent told JB that if he invested, the term of the investment would be one year or less and that JB would receive a monthly interest check during the term of the investment and the return of his principal at the end of the period.
12. In connection with the Metro Marketplace, LLC investment, Respondent promised JB that he would receive shares of stock in Metro Marketplace, LLC.
13. Trusting promises made by the Respondent, JB invested \$95,000.00 with him. Per Respondent's directions, a check dated 2/23/06 in the amount of \$20,000.00 was made payable to Mr. Todd Blasena; on or around February 23, 2006, a wire transfer in the amount of \$25,000.00 was sent to TODEL Development, Inc.; and, on or around March

- 1, 2006, a second wire transfer in the amount of \$50,000.00 was sent to TODEL Development, Inc.
14. TODEL Development, Inc. is a company controlled by Respondent.
  15. The funds sent by JB were deposited to accounts controlled by the Respondent.
  16. A letter from Respondent dated February 22, 2006, confirmed receipt of \$45,000.00 from JB for investment in Metro Marketplace, LLC. Through the same letter, Respondent notified JB “[y]our stock certificates will be sent shortly.”
  17. In exchange for JB’s \$50,000.00 investment on or around March 1, 2006, the Respondent executed and sent JB a “Promissory Note” for \$50,000.00 dated March 1, 2006 (the “Promissory Note”). The Promissory Note indicates monthly payments of interest in the amount of \$1,666.00 will be made during the term of the note and that the principal of the note will be repaid no later than March 1, 2007.
  18. The Promissory Note was not repaid on or before March 1, 2007.
  19. JB received approximately eighteen (18) interest checks from Respondent, each in the amount of \$1,666.00. Approximately five (5) of these checks could not be cashed as they were refused by the Respondent’s bank due to “not sufficient funds.”
  20. The monthly payments ceased on or about December, 2007, without warning.
  21. Shortly after the payments ceased JB began trying to contact the Respondent. As of December 31, 2010, the Respondent had not called or otherwise spoken with JB.
  22. JB’s investment was not returned to him by the Respondent, as the terms of the Promissory Note dictated.
  23. JB has not received stock certificates showing his investment in Metro Marketplace, LLC, though the Respondent promised him in February, 2006, such shares would be “sent shortly.”

24. The shopping center being built by Metro Marketplace, LLC was never completed, and the project was terminated.
25. Bank records show that the funds given to the Respondent by JB for investment were not used to build the "Metro Marketplace" shopping center.
26. Advertising materials given to JB in connection with the investment opportunities contain false statements of material fact, as well as omissions of material fact.
27. The Division has attempted multiple times to locate and discuss the subject matter of this Order to Cease and Desist with the Respondent. Residential, business and cellular telephone numbers belonging to or previously associated with the Respondent have been identified and utilized, and former members of Metro Marketplace, LLC have been contacted. Despite these efforts, the Division has been unable to establish contact with the Respondent.
28. The Respondent is not and at all times herein was not registered with the Division as a broker-dealer agent, an issuer agent, an investment advisor, or an investment advisor representative, or in any other capacity.
29. Both the shares of Metro Marketplace, LLC and the Promissory Note signed by the Respondent constitute "securities."
30. The securities were both offered and sold by the Respondent in the State of South Carolina.
31. Neither of the securities is or was registered or notice filed with the Division, and no claim of exemption from registration has been filed with the Division by the Respondent or on behalf of either the Respondent or the securities.

WHEREAS, both the Promissory Note signed by the Respondent and the shares of stock in Metro Marketplace, LLC the Respondent promised JB constitute “securities” within the meaning of S.C. Code Ann. § 35-1-102(29); and

WHEREAS, the Respondent recommended, offered, and sold the securities in the State of South Carolina; and

WHEREAS, the securities were not registered or federal covered securities, and no exemption from registration was asserted on behalf of the securities; and

WHEREAS, the Respondent acted as an agent and investment adviser in recommending, offering, and selling the securities in South Carolina; and

WHEREAS, the Respondent at the time of the recommendation, offer, and sale of the securities was not registered as an agent or investment adviser and no exemption from registration was asserted on behalf of the Respondent; and

WHEREAS, the Respondent, in connection with the securities transactions described above, made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and

WHEREAS, based on the foregoing, the Division has determined that the Respondent has engaged, is engaging, and/or is about to engage in acts and practices which violate S.C. Code Ann. §§ 35-1-301, 35-1-401 to 35-1-404, and 35-1-501; and

WHEREAS, after due deliberation, the Division finds that it is necessary and appropriate, in the public interest, for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act to issue the following Order:

## **CEASE AND DESIST ORDER**

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), IT IS HEREBY ORDERED that the Respondent and every successor, affiliate, control person, agent, servant, and employee of the Respondent, and every entity owned, operated, or indirectly or directly controlled by or on behalf of the Respondent:

- a. Immediately cease and desist from transacting business in this State in violation of the Act, and in particular, S.C. Code Ann. §§ 35-1-301, 35-1-401 to 35-1-404, and 35-1-501; and
- b. Specifically, cease and desist (i) soliciting investment for Metro Marketplace, LLC in or from South Carolina, (ii) offering any other security in or from South Carolina, and (iii) collecting fees for investment advice given in or from South Carolina; and
- c. Pay a civil penalty in the amount of thirty thousand dollars (\$30,000.00) if this Order becomes effective by operation of law, or, if Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed ten thousand dollars (\$10,000.00) for each violation of the Act by the Respondent, and the actual cost of the investigation or proceeding.

### **REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING**

The Respondent is hereby notified that he have the right to a hearing on the matters contained herein. To schedule a hearing, Respondent must file with the Securities Division, Post Office Box 11549, Rembert C. Dennis Building, Columbia, South Carolina 29211-1549, attention: Thresechia Navarro, within thirty (30) days after the date of service of this Order a written Answer specifically requesting that a hearing be held to consider rescinding the Order.

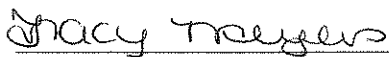
In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation of the Order, shall set forth specific facts on which the Respondent

relies, and shall set forth concisely the matters of law and affirmative defenses upon which the Respondent relies. If the Respondent is without knowledge or information sufficient to form a belief as to the truth of an allegation, he shall so state.

Failure by Respondent to file a written request for a hearing in this matter within the thirty (30) day period stated above shall be deemed a waiver by that Respondent of his right to such a hearing. Failure of Respondent to file an Answer, including a request for a hearing, shall result in this Order, including the stated civil penalty, becoming final as to the Respondent by operation of law.

CONTINUING TO ENGAGE IN ACTS DETAILED BY THIS ORDER AND/OR SIMILAR ACTS MAY RESULT IN THE DIVISION'S FILING ADDITIONAL ADMINISTRATIVE ACTIONS AND/OR SEEKING FURTHER ADMINISTRATIVE FINES. WILLFUL VIOLATION OF THIS ORDER COULD RESULT IN CRIMINAL PROSECUTION. REGARDING MATTERS DESCRIBED HEREIN, THIS ORDER DOES NOT PRECLUDE THE FILING OF PRIVATE CAUSES OF ACTION OR THE FILING OF CRIMINAL CHARGES UNDER S.C. CODE ANN. § 35-1-508 OR ANY OTHER APPLICABLE CODE SECTION.

**SO ORDERED**, this 1<sup>st</sup> day of April, 2011.

  
Tracy A. Meyers  
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