

**STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE
SECURITIES DIVISION**

IN THE MATTER OF:)	
)	
DECHOKER, LLC, ALAN CARVER,)	TEMPORARY CEASE AND DESIST
RUSSELL WADELL, MARK SHORES,)	ORDER
and MARK HONEYCUTT)	
)	
Respondents.)	File No.: 18 ADM 005

The Secretary of State of the State of North Carolina (the “Administrator”), pursuant to her authority and responsibility to administer and enforce the North Carolina Securities Act, (N.C. Gen. Stat. Chapter 78A, the “Securities Act”) has considered the evidence, finds that the public interest will be irreparably harmed by delay, and therefore, enters this order to require Dechoker, LLC, Alan Carver, Russell Wadell, Mark Shores, and Mark Honeycutt to cease and desist offering unregistered securities.

The Staff of the Securities Division of the North Carolina Secretary of State’s office has presented evidence sufficient for the Administrator to make the following findings and conclusions.

I. FINDINGS OF FACT

1. Dechoker, LLC is a Florida corporation that was incorporated on March 17, 2010.
2. Dechoker, LLC has a principal place of business at 10433 Garda Drive, Trinity, Florida 34655.
3. Dechoker, LLC maintains a business office and warehouse at 4454 Raceway Drive, Concord, North Carolina 28027. Dechoker, LLC has not applied for and has never been granted a certificate of authority to do business in North Carolina.
4. Alan Carver (“Carver”) is an adult individual residing in Pasco County, Florida

and/or Weld County, Colorado. Carver is the incorporator, registered agent, and manager/member of Dechoker, LLC.

5. Russell Wadell (“Wadell”) is an adult individual residing in Rowan County, North Carolina. Upon information and belief, Wadell is an executive officer of Dechoker, LLC.

6. Mark Shores (“Shores”) is an adult individual residing in Rowan County, North Carolina. Upon information and belief, Shores is an executive officer of Dechoker, LLC.

7. Mark Honeycutt (“Honeycutt”) is an adult individual residing in Rowan County, North Carolina. Upon information and belief, Honeycutt is an executive officer of Dechoker, LLC. (Carver, Wadell, Shores, Honeycutt and Dechoker, LLC shall collectively be referred to as “Respondents”).

8. Dechoker, LLC claims to sell a medical device that can remove an obstruction from a person’s airway.



9. In order to raise the capital to finance Dechoker, LLC, Carver, Wadell, Shores, and Honeycutt sold equity and profit/loss sharing interests in Dechoker, LLC (“Dechoker Investment Interests”) to residents across the United States, including North Carolina.

10. According to the Form K-1s produced by Respondents, more than 80 people have made combined investments of more than \$2 million in Dechoker, LLC since 2010. According to

those Form K-1s, more than 60 of these investors are residents of North Carolina.

11. Upon information and belief, Respondents continue to offer and sell the Dechoker Investment Interests to the investing public.

a. Offering of Unregistered Securities

12. Under the Securities Act, it is unlawful for any person to offer or sell any security in North Carolina unless the security is registered or it is subject to a perfected exemption. N.C. Gen. Stat. § 78A-24.

13. A “security,” as defined by the Securities Act, means:

any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under a title or lease, viatical settlement contract or any fractional or pooled interest in a viatical settlement contract, or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

N.C. Gen. Stat. § 78A-2(11).

14. The Dechoker Investment Interests sold by Respondents were and are securities.

15. Accordingly, the Dechoker Investment Interests were and are subject to the registration requirements of the Securities Act.

16. Neither Respondents nor anyone else representing Dechoker, LLC registered the Dechoker Investment Interests or perfected their exemption from registration.

b. Unregistered Persons Offering Securities

17. Under the Securities Act, it is unlawful for any person to effect transactions in securities unless he/she is registered as a dealer or salesman or is exempt from registration. N.C. Gen. Stat. § 78A-36.

18. Offering securities, like the Dechoker Investment Interests described above, effects

transactions in securities. Therefore, any person who offers securities, like the Dechoker Investment Interests described above, must be registered as a dealer or salesman.

19. None of the Respondents is or has ever been registered as a dealer or salesman in North Carolina.

c. Protection of the Public

20. Respondents have the present ability to engage or attempt to engage in the sale of unregistered securities as unregistered dealers and salesmen in violation of N.C. Gen. Stat. §§ 78A-24 and 78A-36.

21. The solicitation of the investing public poses an immediate and significant danger to the public welfare.

22. Prohibiting Respondents from offering unregistered securities and transacting business as unregistered dealers and salesmen is in the interest of the public of North Carolina. Such a prohibition is necessary for the protection of the investing public, and consistent with the purposes fairly intended by the policy and provisions of the Investment Advisers Act.

23. An immediate Temporary Order to Cease and Desist is necessary and appropriate to address the violations of the Securities Act. Delay in issuing an order under N.C. Gen. Stat. § 78A-47(b)(2) will result in irreparable harm to the public.

II. CONCLUSIONS OF LAW

1. The Administrator has jurisdiction over Respondents and the subject matter of this Order.

2. The investment products offered by Respondents are securities under the Securities Act as defined by N.C. Gen. Stat. § 78A-2(11).

3. Respondents violated N.C. Gen. Stat. § 78A-24 when they offered unregistered securities.

4. Respondents violated N.C. Gen. Stat. § 78A-36 when they offered securities while Respondents were unregistered.

5. There is reasonable cause to believe that Respondents will continue the acts and practices that constitute willful violations of the Securities Act, specifically N.C. Ge. Stat. §§ 78A-24 and 78A-36.

6. It is necessary and appropriate for the protection and preservation of the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Securities Act, that Respondents be temporarily ordered to cease and desist from making offers and sales of securities in violation of the Securities Act, and to cease and desist from continuing to act as unregistered dealers and/or salesmen of securities.

7. The public interest will be irreparably harmed by the delay inherent in issuing an order under the provisions of N.C. Gen. Stat. § 78A-47(b)(1).

8. The Administrator has the authority to enter this Order and the entry of this Order is in the public interest and is consistent with the purposes fairly intended by the policies and provisions of the Securities Act.

III. ORDER

It is therefore ORDERED that Respondents and any person, employee, officer, director, entity, or independent contractor under any or all of their direction or control immediately CEASE AND DESIST from:

1. offering for sale any security in North Carolina until the security is registered with the Administrator or is offered for sale pursuant to an exemption from registration

- under the North Carolina Securities Act;
2. acting as securities dealers or agents in North Carolina until it is registered with the Administrator or are acting pursuant to an exemption from registration under the North Carolina Securities Act; and
 3. violating any other provisions of the North Carolina Securities Act and any administrative rules promulgated thereunder.

IV. NOTICE

Each Respondent may request a hearing upon this matter by transmitting such request, in writing, to Kevin M. Harrington, Deputy Securities Administrator, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. If such a request is made, this matter shall be scheduled for hearing in accordance with Chapter 150B of the North Carolina General Statutes within twenty (20) days after receipt by the Deputy Securities Administrator of the written request. If no request for hearing, other responsive pleading or submission is received by the Deputy Securities Administrator within thirty (30) business days of the receipt of service hereof, this Temporary Cease and Desist Order shall become final and remain in effect as to each Respondent that fails to request a hearing unless it is modified or vacated by the Secretary of State in her capacity as Securities Administrator of the Securities Act.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina

Department of the Secretary of State, this the 15TH day of FEBRUARY 2018.

Time of entry: 3:10 P.M.



ELAINE F. MARSHALL
SECRETARY OF STATE OF NORTH CAROLINA, and
SECURITIES ADMINISTRATOR



KEVIN M. HARRINGTON
Deputy Securities Administrator