

STATE OF NORTH DAKOTA
SECURITIES DEPARTMENT

In the Matter of H. Michael Hardy,)	
RSE, Inc., and Hardy Management)	
Group, LLC,)	CONSENT ORDER
)	
Respondents.)	

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The North Dakota Securities Commissioner has advised the Respondents, H. Michael Hardy, RSE, Inc., and Hardy Management Group, LLC, that the Commissioner is prepared to commence formal action pursuant to Chapter 10-04 of the North Dakota Century Code and has determined as follows:

1. Respondent, H. Michael Hardy, (CRD #4363857), for all times relevant to this matter was a resident of Fargo, North Dakota, and from July, 1987, through the end of 2002, was registered as an investment adviser representative with the North Dakota Securities Department.
2. On or about April 1, 2008, Respondent RSE, Inc., (RSE), through its President, H. Michael Hardy, (Hardy), entered into an Investment Advisory Agreement with a North Dakota resident to provide investment advice and discretionary trading on the investor's TD Ameritrade securities account for a fee. Hardy did execute hundreds of trades on the account and RSE did bill for and was paid investment advisory fees in 2009 through 2010. During this time period, RSE was not registered as an investment adviser and Hardy was not registered as an investment adviser representative.
3. From 2011 and into 2012, Hardy continued the advisory services and trading on the investor's account, billing through a North Dakota limited liability company controlled by Hardy, Respondent, Hardy Management Group, LLC, (HMG), although no new

Investment Advisory Agreement was signed. During this time period, HMG was not registered as an investment adviser and Hardy was not registered as an investment adviser representative.

4. Respondents, in recommending the purchase and sale of securities in the investor's TD Ameritrade account for a fee, acted as an unregistered investment adviser and unregistered investment adviser representative in violation of N.D.C.C. § 10-04-10(3) and (5).

5. Pursuant to N.D.C.C. § 10-04-16, when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is prohibited by Chapter 10-04 of the North Dakota Century Code, the Securities Commissioner may issue any order and assess civil penalties in an amount not to exceed \$10,000 for each violation. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against the Respondents pursuant to N.D.C.C. § 10-04-16(1).

6. Respondents acknowledge their right to a hearing on this matter and waive this right to a hearing and to present arguments to the Commissioner.

7. Respondents agree to resolve this matter with the Commissioner by this Consent Order.

8. The following Order is necessary and appropriate in the public interest for the protection of investors.

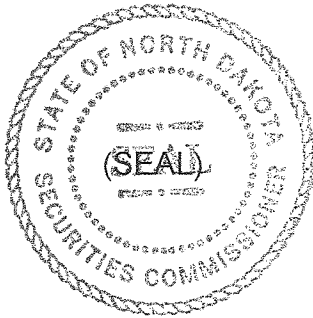
NOW, THEREFORE, IT IS ORDERED, that:

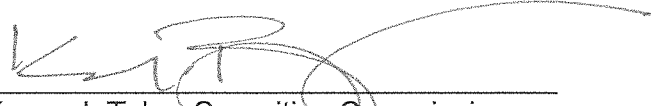
1. Respondent, H. Michael Hardy, shall immediately **CEASE AND DESIST** from any further violations of the Securities Act or rules in connection with the providing of

investment advisory services in this state for a fee, individually or through RSE, Inc. or Hardy Management Group, LLC.

2. Respondent, H. Michael Hardy, shall pay a civil penalty of \$10,000, made payable to the North Dakota Securities Department, upon entry of this Consent Order.
3. This Consent Order shall be effective upon signature of the Commissioner.

IN TESTIMONY WHEREOF, witness my hand and seal this 2nd day of March, 2018.





Karen J. Tyler, Securities Commissioner
North Dakota Securities Department
600 East Boulevard Ave.
State Capitol – Fifth Floor
Bismarck, ND 58505-0510
(701) 328-2910

STATE OF NORTH DAKOTA
SECURITIES DEPARTMENT

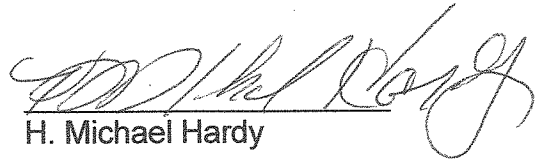
In the Matter of H. Michael Hardy,)	
RSE, Inc., and Hardy Management)	
Group, LLC,)	CONSENT TO ENTRY
)	OF ORDER
Respondents.)	

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Based on mutual concessions and a willingness to resolve all matters discussed in the foregoing Consent Order, Respondent, H. Michael Hardy, individually and on behalf of RSE, Inc., and Hardy Management Group, LLC, states that:

1. He has read the foregoing Consent Order and knows and fully understands its contents and effects.
2. He has been advised of his right to a hearing with regard to this matter, and has specifically waived his right to a hearing.
3. The foregoing Consent Order, which is attached hereto and incorporated herein by reference, constitutes the entire settlement agreement between the Respondent and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.
4. He admits the jurisdiction of the Securities Department and the factual determinations set forth in the foregoing Consent Order, and he is specifically precluded from denying those determinations in any forum, public or private.
5. He consents to entry of the foregoing Consent Order by the Securities Commissioner, and does so willingly and voluntarily for the purpose of resolving the issues described in the foregoing Consent Order.

Dated this 26 day of February, 2018.


H. Michael Hardy

Subscribed and sworn to before me this 26 day of February, 2018.



Notary Public
My Commission Expires:

