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BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF:

HEDGEHOG INVESTMENTS LLC;
HEDGEHOG HOLDINGS I, LLC;
HEDGEHOG HOLDING II, LLC;
MATTHEW MORRISON BATES;
JOSHUA CURTIS BISHOP;
WILFRED JOSE MANUEL VIGIL a/k/a WILL VIGIL;
SUNNYSIDE EQUITY HOLDINGS, LLC;
FRANCES M. PALACIOS;
PRINCETON LAW FIRM;
PRINCETONLAW PLLC;
GROW MARKETING COMPANY, L.L.C.;
CORPORATE FUNDING GROUP, LLC;
STRONGHOLD WEALTH PARTNERS, LLC;
JASON L. STOCK, CRD#6314780;
JARED J. PRAZEN, CRD#2922484; and
THIEL F. RUPERTO, CRD#4530049

Respondents.

EMERGENCY ORDER TO CEASE AND DESIST

Docket No. SD-25-0006

This matter comes before the Director of the Utah Division of Securities ("Division") upon evidence that Respondents Hedgehog Investments LLC ("Hedgehog Investments"); Hedgehog Holdings I, LLC ("Hedgehog I"); Hedgehog Holdings II, LLC ("Hedgehog II") (collectively, with Hedgehog Investments and Hedgehog I, the "Hedgehog Entities"); Matthew Morrison Bates ("Bates"); Joshua Curtis Bishop ("Bishop"); Wilfred Jose Manuel Vigil, also known as Will Vigil ("Vigil"); Sunnyside Equity Holdings, L.L.C. ("Sunnyside Equity"); Frances M. Palacios ("Palacios"); Princeton Law Firm ("Princeton Law Firm"); PrincetonLaw PLLC ("PrincetonLaw"); Grow Marketing Company, L.L.C., ("Grow Marketing"); Corporate Funding Group, LLC ("CFG"); Stronghold Wealth Partners LLC ("Stronghold Wealth"); Jason L. Stock ("Jason Stock[1]"); Jared J. Prazen ("Prazen"); and Thiel Ruperto ("Ruperto") (collectively referred to as "Respondents") have engaged and continue to engage in acts and practices which violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, *et seq.* (the "Act"). Having been advised of relevant facts discovered during the Division's ongoing investigation of this matter, the Director finds and concludes that Respondents' conduct continues to present an immediate and significant danger to the public welfare and that the threat requires immediate action by the Division. The Director issues this Emergency Order to Cease and Desist (the "Emergency Order") in accordance with the provisions of Utah Code Ann. § 63G-4-502 and Utah Admin. Code R. R151-4-111.

FINDINGS OF FACT[2]

THE RESPONDENTS

1. Hedgehog Investments is a Utah limited liability company formed on or around June 15, 2020 with a principal business address of 2901 W. Bluegrass Blvd, #430, Lehi, Utah.

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[1] The first name is included here because of the legal significance of the term "Stock." There is no intent to set Respondent Jason Stock apart based upon the shorthand used in this Emergency Order.

[2] The Findings of Fact included herein are based upon the Division's investigation to date, which remains ongoing, including but not limited to responses to subpoenas, interviews with certain Respondents, requests for information from the Respondents (with many going unanswered), and related and similar information.

Documents filed with the Utah Division of Corporations and Commercial Code ("Corporations") identify Bates and Bishop as its two members and Bates as its registered agent. Although Hedgehog Investments has never been licensed in any capacity with the Division to offer or sell securities or to provide investment advice, it purports to be an investment manager that manages securities offerings made by similarly named subsidiaries described below. Hedgehog Investments currently claims to have more than $50 million in assets under management. Since 2020 Hedgehog Investments has sold more than three hundred (300) promissory notes to investors through Bates, Bishop, and others. Hedgehog Investments has never recorded a securities registration, exemption from registration, or notice filing with the Division.

2. Hedgehog I is a Utah limited liability company formed on October 11, 2023 with a principal business address of 2901 W. Bluegrass Blvd, #430, Lehi, Utah. Documents filed with Corporations identify Hedgehog Investments as its manager and Bates as its sole member. On November 17, 2023, Hedgehog I filed a Form D with the United States Securities & Exchange Commission ("SEC"), indicating its intention to sell $30 million in debt securities. At the time of that filing, Hedgehog I reported no sales had occurred yet. Although Hedgehog I is an issuer of securities, the entity does not possess any bank accounts, and investor monies are instead deposited in accounts held by Hedgehog Investments before being transferred elsewhere.

3. Hedgehog II is a new Utah limited liability company formed on January 27, 2025 with a principal business address of 2901 W. Bluegrass Blvd, #430, Lehi, Utah. Documents filed with Corporations identify Hedgehog Investments as its manager and Bates and Bishop as managers of the manager, Hedgehog Investments. On February 6, 2025, Hedgehog II filed a Form D with the SEC, indicating its intention to sell $60 million in debt securities. At the time of filing, Hedgehog II reported no sales had occurred yet.

4. Bates is a resident of Utah County, Utah and is Hedgehog Investments' Chief Executive Officer ("CEO"). He has never been licensed in the securities industry in any capacity. Bates is a signatory on the Hedgehog Investments bank accounts that received investor funds related to Hedgehog Investments and Hedgehog I promissory notes at issue. Bates is a convicted felon. In 2010, he was convicted of a federal felony under 18 U.S.C. § 1470, Transfer of Obscene Materials to Minors, and is required to be registered as a sex offender. Respondents have not disclosed Bates' criminal history to investors.

5. Bishop is a resident of Utah County, Utah and is Hedgehog Investments' Chief Client Relations Officer. He has never been licensed in the securities industry in any capacity. Bishop is a signatory on the Hedgehog Investments bank accounts that received investor funds related to Hedgehog Investments and Hedgehog I promissory notes in this matter.

6. As described further below, since approximately June 2020, Bates and Bishop both have solicited, and continue to solicit, numerous investors, selling 12- or 24-month promissory notes that promise high interest rates between 12% and 20% for a one-year note and as much as 49% for a two-year note, that are purportedly extremely safe and low-risk. Investors are told that their monies will be used to obtain long-term financing for successful, growing companies. One chart in marketing materials used to solicit investors even claims that the investments are safer than government bonds. Bates and Bishop have both signed multiple promissory notes on behalf of Hedgehog Investments and Hedgehog I as issuers.

7. On its website, www.hedgehoginvestments.com, Hedgehog Investments emphasizes values like trust and transparency, claiming "We don't hide anything behind closed doors and lead every transaction with honesty" and touts its "high return, lower risk" investments that "may seem too good to be true" with annual "returns reaching 20%." Hedgehog

Investments claims to place investor monies "into a system designed to help small businesses grow" with the "key to our investment model" being Hedgehog's "work with service providers who help young, promising companies qualify for long-term financing." In reality, however, investor monies are transferred to bank accounts controlled by Vigil, and used for purposes not disclosed to investors, including for Vigil's personal use and transfers to companies controlled by Vigil.

8. Vigil is a resident of Salt Lake County, Utah. He has never been licensed in the securities industry and has a lengthy criminal history, including multiple alcohol-related arrests and convictions, as well as a conviction for attempted communications fraud relating to a scheme to obtain fraudulent bank loans. His many arrests include charges of criminal trespass, driving under the influence, robbery, and assault. Most recently, Vigil was charged in June 2024 for driving under the influence, reckless driving, refusal to submit to a blood test after a warrant was issued, and driving on a denied license. On April 29, 2025, he pled guilty in that case to DUI – Second Offense in 10 Years, and is scheduled to be sentenced on July 22, 2025. Respondents have not disclosed Vigil's significant criminal history to investors.

9. In addition, Vigil appears on Utah's Buyer Beware list after failing to comply with a 2017 Division of Consumer Protection cease and desist order entered after a consumer complaint against a previous business he operated, Safefunding, LLC ("Safefunding"). The consumer paid Vigil's company $599 in advance and was promised it would secure $40,000 - $60,000 in funding for her small business within 30 to 90 days or else receive a full refund. The loan, however, was never obtained, and the company failed to issue her a refund after she made the request.[3] Respondents have not disclosed Vigil's Buyer Beware listing or the Division of

[3] *See In the Matter of Safefunding, LLC and Will Vigil*, Legal File No. CP-2017-086, DCP Case

Consumer Protection cease and desist order to investors.

10. Vigil controls and is a signatory on bank accounts that received and spent investor funds for his personal use. Vigil is also a trusted contact on a TD Ameritrade brokerage account owned by respondent Palacios that has received investor funds at issue. Investors never authorized the use of their monies for deposit or trading in the TD Ameritrade account.

11. Palacios is an attorney and member of the Utah State Bar. In 2019, she was publicly reprimanded by the Bar for violating the Utah Rules of Professional Conduct related to her involvement in a credit repair business that refused to refund a consumer after the services were not provided – conduct very similar to that of Vigil and Safefunding in the Division of Consumer Protection action.

12. Sunnyside Equity is a Utah limited liability company formed on May 1, 2020 with its principal place of business of 2673 South Preston Street, Salt Lake City, Utah. That location is a senior living facility and was the residential address of Palacios, who was identified in Corporations documents as registered agent and sole member of Sunnyside Equity. On July 12, 2024, Sunnyside Equity's principal place of business was changed in Corporations records to 2901 W. Bluegrass Blvd, #430, Lehi, Utah – the same address and office suite as the Hedgehog Entities. That address was changed again on February 27, 2025, through an amendment to its certificate of organization, which identified Vigil as its active principal and manager, and Palacios as an inactive principal and member, with a new entity address of 4135 South Carter Circle, Salt Lake City, Utah. That address is where Vigil is believed to be living at present. Vigil and Palacios have signatory authority over Sunnyside Equity's bank accounts. As

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No. 92702, Jan. 4, 2018, Division of Consumer Protection of the Department of Commerce of the State of Utah; *see also* Utah Department of Commerce, Division of Consumer Protection, Buyer Beware List, Docket No. CP-2017-086.

described further below, Sunnyside Equity has sold numerous promissory notes to investors, which Vigil has signed as its "manager." Sunnyside Equity has never recorded a securities registration, exemption from registration, or notice filing with the Division.

13. Sunnyside Equity operates the website, www.sunnysideequity.com, which is very similar in appearance to Hedgehog's website, but with bare-bones content. Sunnyside Equity claims "we support growing businesses" stating, "we help businesses manage their corporate credit, restructure debt, and connect them with long-term financing for growth with strong ties to banks across the country. Through our strict vetting criteria, we are highly confident we will be successful at completing this process." Among other things, Sunnyside Equity also boasts about its "stellar track record" and its "transparency," claiming "you will always know where your money is."

14. "Princeton Law Firm" is an assumed business name ("DBA") most recently[4] filed with Corporations on August 27, 2020, with a primary business address of 2673 South Preston Street, Salt Lake City, Utah. According to Corporations records, Sunnyside Equity was identified as its registered agent and principal. Along with Sunnyside Equity and Grow Marketing, "Princeton Law Firm" is an issuer of numerous promissory notes that Vigil – who is not an attorney – has signed on its behalf as its "manager." In some promissory notes, it is identified as having its place of business in American Fork, Utah, though it presently shows in Corporations records as administratively dissolved as of September 16, 2024. "Princeton Law

[4] Between 2002 and 2020, the DBA "Princeton Law Firm" has been used by several attorneys, including two attorneys associated with Vigil, Joseph R. Goodman Jr. and Palacios. In 2017, the Utah Division of Consumer Protection entered a cease and desist order against "Princeton Law Firm" and Palacios for failing to register as a credit repair services provider as required by Utah law. *See In the Matter of PLF Credit Solutions Company, PLLC, DBA Princeton Law Firm and Frances Palacios*, Legal File No. CP-27-20, DCP Case No. 84300, May 19, 2017. "Princeton Law Firm" is on Utah's Buyer Beware list for failing to comply with the order.

Firm" has an active website, https://princetonlawfirm.com/ with a purported business address of 826 East State Street, American Fork, Utah. Of note, no attorney names appear on the website, which contains minimal generic information about legal services purportedly provided. Significantly, the banners of two insurance companies, CNA and Travelers, appear on its main page, which appears to be a deliberate attempt to bolster the legitimacy of investments offered by Respondents; as described further below, those two insurance carriers are touted by Respondents as providing extra risk mitigation for investors. "Princeton Law Firm" has never recorded a securities registration, exemption from registration, or notice filing with the Division.

15. PrincetonLaw is a Utah limited liability company formed on February 24, 2023 with a primary business address of 2901 W. Bluegrass Blvd, #430, Lehi, Utah – the same address and office suite as the three Hedgehog Entities and Sunnyside Equity (until the recent change). On April 1, 2025, its business address was changed to 5292 S. College Drive, Ste. 340, Murray, Utah. PrincetonLaw's sole owner and principal, Amy C. Walker, is an attorney and has never been licensed in the securities industry. She told the Division that PrincetonLaw was created for the sole purpose of acting as an escrow between Hedgehog and CFG, and that PrincetonLaw "negotiates contracts" between Hedgehog and CFG as to the distribution of investor funds.[5]

16. PrincetonLaw has received funds from Hedgehog Investments sourced from Hedgehog Investments and Hedgehog I's investment offerings and distributed those funds to Sunnyside Equity and CFG, two entities controlled by Vigil. Walker is the sole signatory on PrincetonLaw's bank account.

17. Grow Marketing is a Utah limited liability company formed on August 7, 2015

[5] Walker apparently represents both parties in such transactions. Based on what investors are told by Bates, Ruperto, and others when soliciting investors – that Hedgehog raises funds that go to CFG or other Vigil entities to be used for loans to growing companies – it is unclear what exactly what would need to be "negotiated" between Hedgehog and Vigil.

with a principal business address of 2673 South Preston Street, Salt Lake City, Utah – the same address as Sunnyside Equity's previous address. Palacios was identified as its registered agent and manager. On February 27, 2025, Grow Marketing's certificate of organization was amended to identify Vigil as a member and principal, and its business address was changed to 4135 South Carter Circle, Salt Lake City, Utah, where Vigil is believed to be living. Palacios and Vigil have signatory authority over Grow Marketing bank accounts that received investor monies. Along with Sunnyside Equity and "Princeton Law Firm," Grow Marketing is an issuer on numerous promissory notes that Vigil has signed on its behalf as its "manager." Grow Marketing has never recorded a securities registration, exemption from registration, or notice filing with the Division.

18. CFG is a Utah limited liability company formed on January 18, 2023 with a principal business address of 2673 South Preston Street, Salt Lake City, Utah – the same address as Grow Marketing and Sunnyside Equity's prior address. Palacios was identified as its registered agent and manager. In a filing made on March 28, 2023, Vigil was added as a registered principal and member. In July of 2024, its principal business address was changed to 2901 W. Bluegrass Blvd, #430, Lehi, Utah – the same address as the Hedgehog Entities and Sunnyside Equity. That address was changed again in October 2024, to 3381 W. Mayflower Avenue, Ste. 175, Lehi, Utah. Vigil and Palacios have signatory authority over CFG bank accounts that have received investor monies. CFG has never recorded a securities registration, exemption from registration, or notice filing with the Division.

19. Sunnyside Equity, Grow Marketing, "Princeton Law Firm," and CFG (collectively, the "Vigil Entities") have all received investor monies directly from investors and from monies raised by Hedgehog Investments. The Vigil Entities are all purportedly in the business of using Vigil's alleged special talent and relationships with large commercial banks,

such as Bank of America and Chase Bank, to help growing companies pay down debt and receive additional funding that they would otherwise not qualify for.

20. Stronghold Wealth is an Arizona limited liability company with its principal place of business in Gilbert, Arizona. Its principals are Arizona residents Blake Essary[6] and Respondent Jason Stock. Stronghold Wealth has a "solicitor agreement" with Hedgehog Investments to refer investors, for which Stronghold Wealth receives transaction-based compensation of 3.5% of the investment principal after a referred individual invests. Stronghold Wealth is not licensed as a broker-dealer or investment adviser, and is not registered with Corporations to conduct business in Utah.

21. Stronghold Capital is a Utah-licensed investment adviser firm affiliated with Stronghold Wealth with its principal place of business in Gilbert, Arizona.[7] Its principals are Blake Essary and Respondent Jason Stock. Jason Stock is its Chief Compliance Officer and Managing Member, along with being licensed in Utah as an investment adviser representative. He has taken and passed the FINRA Series 65 examination and has worked in the securities industry since 2014.

22. Prazen is a Utah resident who has been licensed in Utah as an investment adviser representative of Stronghold Capital since June 2024. He has passed the FINRA Series 6, 63, and 65 examinations.

23. Ruperto is an Arizona resident who has taken and passed the FINRA Series 65 examination. He was a licensed investment adviser representative of Stronghold Capital from July 2023 through June 2024, when he began to work for Hedgehog Investments as its Chief

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[6] Blake Essary is not named as a respondent in this Emergency Order at this time.

[7] Stronghold Capital is not named as a respondent in this Emergency Order.

Operating Officer. He is not licensed in any capacity and has never been licensed in Utah to sell securities or provide investment advice.

24. Jason Stock, Prazen, and Ruperto have all referred individuals to Hedgehog Investments for which they received compensation after an individual invests. Although they are or were licensed investment adviser representatives while making Hedgehog referrals to invest in what are clearly securities, those activities were not conducted through commonly-owned and managed Stronghold Partners, but instead through Stronghold Wealth. That activity requires broker-dealer licensing (Stronghold Wealth) and agent licensing (Jason Stock, Prazen, Ruperto). None, however, are or were so licensed at any time.

THE INVESTMENTS SOLD BY RESPONDENTS

25. Between 2023 and 2024, while conducting business in or from Utah, Sunnyside Equity, Grow Marketing, "Princeton Law Firm", Vigil, and Palacios offered and sold investment opportunities in the form of promissory notes or investment contracts ("Sunnyside Notes") to at least thirty-nine (39) investors located in Utah and collected approximately $30.4 million between 2023 and 2024 in connection therewith.[8] Sunnyside Notes purportedly pay extraordinarily high interest from 30% to 33% for a 12-month note. Sunnyside Notes are typically signed by Vigil on behalf of Sunnyside Equity and Grow Marketing, identified as "Borrower 1", as well as "Princeton Law Firm" which is identified as "Borrower 2."[9] Vigil signs on behalf of "Princeton Law Firm" even though, based on representations to investors, it purports to be an independent "trustee" serving solely as an escrow over investor funds. Many Sunnyside Notes have reached or are reaching maturity – when return of investor principal plus

[8] While the Division's investigation is ongoing, it is clear that respondents also issued promissory notes pre-dating this period; the Division is aware of information substantiating that Vigil and "Princeton Law Firm" issued promissory notes going back at least to 2016.

[9] Palacios also signed at least one promissory note on behalf of "Princeton Law Firm."

the significant interest is due – in the coming months in 2025.

26. Separately, from approximately June 2020 to the present date, Vigil, Bates, Bishop, Hedgehog Investments and Hedgehog I offered and sold investment opportunities in the form of promissory notes or investment contracts ("Hedgehog Notes") to more than three hundred (300) investors and collected more than $54 million. Hedgehog Notes purportedly pay interest between 12% and 20% for a 12- or 24-month note, depending on the amount invested, and some notes pay as high as 49% for a two-year note. As a further sales pitch incentive, investors who are veterans or first responders automatically qualify for the higher 20% interest rate regardless of the amount they invest. In addition, investors are encouraged to take out home equity lines of credit ("HELOC") to invest even more, and Hedgehog Investments offers to pay the interest on investor HELOCs over the term of the note. Hedgehog Notes are typically signed by Bates or Bishop on behalf of Hedgehog Investments, and Vigil on behalf of Grow Marketing, Sunnyside Equity, and/or "Princeton Law Firm" – with those parties collectively referred to as "Borrowers."

27. Many Hedgehog Notes are reaching maturity – when return of investor principal plus the significant interest is due – in the coming months of 2025. From a sampling of Hedgehog I notes alone, at least sixty-six (66) 2-year notes – paying a whopping 49% interest rate – mature in 2025. Those contracts account for $10.8 million in investor principal that needs to repaid along with approximately $5.2 million in interest.

28. After investing, investors receive account statements showing significant gains in alignment with the returns promised in their investment contracts. None of the investors interviewed by the Division have withdrawn their investment proceeds or otherwise verified that their account truly has the value represented on the online portal.

29. Rather than being paid out at maturity, many investors have been convinced by Respondents to "roll" their principal and interest owed into new notes.

30. Vigil, Bates, and Bishop have conducted the majority of solicitations and sales, although none are licensed to sell securities or offer investment advice. Hedgehog Investments also claims it has a network of advisors, such as Stronghold Wealth, who refer potential investors to Hedgehog Investments for 3.5% compensation when a referred person decides to invest.

31. For both Sunnyside Notes and Hedgehog Notes, investors merely provide funds and have no managerial responsibilities other than providing capital. The investment opportunities offered and sold by Respondents are notes and investment contracts, which are securities as defined under Section 61-1-13 of the Act. In addition to HELOCs, investors are also encouraged to set up self-directed IRA accounts and fund their investments using retirement monies. Preliminary records reviewed by the Division show Respondents have collected no less than $16 million in retirement funds from investors.

32. Hedgehog Investments advertises online and in print materials. Solicitations occur in person, over the phone, and online. Advertising and marketing materials represent that Hedgehog Investments will use investor monies to "help businesses looking to grow to the next level" and aid "young promising companies with demonstrated success and potential" to secure financing for those companies. Hedgehog Investments claims to use a "rigorous vetting process" that makes "our model a success time and time again." Among other things, it claims "our team takes an **in depth view** of the company's legal and financial background to ensure that we have a comprehensive understanding of the situation and processes. Once complete, we only move forward if we obtain **pre-approvals** from potential lenders, so we are highly confident that we will succeed in helping them obtain the financing they seek. We start our engagement by signing

a **power of attorney** which ensures that we have **control over the process**, turns the **business into collateral** while we work, and guarantees the **loan comes to us** once it's funded by the bank." (Emphasis in original.)

33. In soliciting potential investors, Hedgehog's purported vetting process is also emphasized, with Bates telling one potential investor that the companies seeking funds "have to be in the black already," meaning profitable, with a "good trailing 12," meaning positive financial performance over the past 12 months, and that "we find out all of this information through our own vetting process…. The first thing that we're going to do is vet them, right? So, we look at them, financially, legally and structurally, any way that could affect the way a bank is going to look at them, right? So, we go as deep as we can go, because we need to know as much as we need to as we can so we can de-risk ourselves in this situation, right?"

34. In an interview with the Division, Bates admitted these representations are false. In fact, Hedgehog Investments, Bates, and Bishop do not even *lightly* vet – or even know the names of – the purported "young promising companies," much less anything about their "legal and financial background" or situations, and, further, have zero control over "the process" to allegedly obtain long-term financing with large commercial banks. Instead, Bates admitted Hedgehog Investments simply transfers investor monies to Vigil and trusts that he will use the monies as claimed.

35. Ruperto's representations to investors include the same untrue sales pitch. Among other things, Ruperto told one potential investor that Hedgehog requires businesses to "open up [their] books" as part of a "very stringent vetting process to make sure that the company checks all the boxes we look for. We have to be 99.9% sure we can get their funding …"

HOW INVESTORS ARE TOLD THEIR MONEY WILL BE USED

36. Investors are told that those investing in a one-year note can expect their monies to fund two different loans during that timeframe, with each loan taking four to five months for funding, while those investing in a two-year note can have their capital used in as many as five loan transactions over that period.

37. Respondents tell investors that Vigil has extensive expertise and special commercial banking relationships that help growing companies obtain loans they would not otherwise qualify for because the companies, while successful, have high debt-to-income ratios. Bates and Ruperto have both used a similar example with potential investors for a $100,000 investment in a 12-month note paying 20% interest, where a company seeking funding needs $500,000 in capital. The investor is told that it would be very common for that transaction to require $100,000 from Hedgehog,[10] for which it might charge a fee of 30% of that amount.[11] That process takes four to five months start to finish, at which time a loan in the amount of $630,000 is received by "us" through the power of attorney granted by the company seeking financing. "We" then take back the principal used, $100,000, plus the fee of $30,000, for $130,000 off the top before providing the company with the remaining amount of the loan $500,000. At that point, Respondents' involvement in the transaction is finished; they then use the investor's money for another similar transaction prior to the note reaching maturity at 12 months, which secures a gross profit between 50% and 70% for two transactions in that period, with 20% paid to the investor and the rest split between Hedgehog and the Vigil Entities. For two-year notes, assuming five transactions, investors are told the gross profit for Respondents is

[10] When used alone herein, "Hedgehog" refers to the Hedgehog Entities generally with no specific delineation among them.

[11] For each financing transaction, Respondents tell investors their fee is typically between 25% and 35% of the capital needed to acquire the loan.

between 125% to 175% (five transactions x 25% fee or up to a 35% fee), which is why they are willing to pay investors interest as high as 49% on those notes.

38. Following this model, Bates and Ruperto have told investors they have successfully funded *hundreds* of deals in the past few years alone. When investors have requested additional information, however, such as the names of companies they have worked with to verify those claims, the response is always that such information cannot be shared due to confidentiality, "client privilege," or for "intellectual property" reasons.

39. In November 2024, the Division met with Bates and Hedgehog Investments' legal counsel and requested that they produce a single example of a success story – any businesses that had seen success working with Hedgehog – which counsel agreed to provide informally. Given what investors are told – that their monies are used for two transactions a year for 12-month notes and five transactions over two years for 24-month notes, there should be 600 to 1500 such "success stories." That information was not provided.

40. On December 9, 2024, the Division issued subpoenas to CFG and Vigil requesting, among other things, a list of all companies over which Vigil has indirect control or influence, pursuant to the alleged power of attorney that investors are told Respondents obtain from companies seeking financing. A response to the subpoena should have identified the companies that Vigil or CFG have obtained power of attorney over pursuant to how the business model is described to investors with regard to the use of their monies. Neither Vigil nor CFG have produced records responsive to these subpoenas to date. Based on what investors have been told and the repeated assertions of more than 200 hundred transactions allegedly funded, that information should be easy to provide.

41. Hedgehog Investments also touts its use of an "insured trust account" – the

PrincetonLaw account overseen by Amy Walker as "trustee" – as an additional risk-reducing mechanism "that covers situations where fiduciary duty was breached" and further claims "we utilize multiple companies to insure against fiduciary malfeasance (CNA Financial and Travelers Insurance.)"[12] Interestingly, in a conversation with the Division, Walker denied owing any fiduciary duty to investors, which, if true, suggests her view is that investors have no remedy in the event of her malpractice.[13] Contrary to Walker's assertion, however, both Hedgehog and Sunnyside Notes in fact affirmatively require that in serving as trustee the firm and Walker "shall assure that the proceeds of the present Note are used in a manner consistent with the purposes outlined above," which terms state "the principal purpose of the proceeds of this Note" is to obtain what is referred to as "New Financing" by "securing corporate lines of credit and or the pay down of Borrowers' client's debt to allow Borrower to obtain more financing for Borrower's client's business goals", which is how investors are told their monies will be used.

42. More recent notes signed in 2024 have been modified from prior notes as they are only signed by Hedgehog I, and not Vigil or any Vigil Entities. The PPM provided pertaining to those notes states that investor monies will go to Vigil's entity, CFG. Troublingly – and in stark contrast to the still-current Hedgehog and Sunnyside Equity websites' boasts about "transparency", not "hid[ing] anything behind closed doors" and investors "always knowing where your money is" – those notes add limiting language stating that the signing investor "acknowledges and agrees that once the funds have been disbursed from the attorney trust

[12] Hedgehog Investments identifies CNA and Travelers as insurance carriers through which Walker maintains her legally required malpractice insurance. As described in paragraph 14, the monikers for both insurance companies appear on the main page of the "Princeton Law Firm" website.

[13] Generally, it appears investors are told that Walker's malpractice policy has $1 million to $2 million in coverage, meaning that even if applicable it would be less than sufficient to protect in the event of a breach, given Hedgehog's raising more than $54 million from investors.

account, they are not entitled to information regarding the use and disbursement of funds by the recipient company [Vigil's newest company, CFG]...." Moreover, gone now is the requirement that attorney and trustee Amy Walker "shall assure" that investors monies are in fact used for the "principal purpose" of obtaining financing for growing companies – despite investors still being told that is how their monies will be used. Finally, while the Hedgehog I PPM makes clear that investors' monies go to CFG, there is not a single mention of its principal, Vigil – upon whose expertise and extensive relationships with commercial banks everything depends, according to what investors are told. And there is no disclosure of Vigil's criminal record and conviction for loan-related fraud.

NO FINANCING FOR GROWING COMPANIES - MISUSE OF INVESTOR FUNDS

43. Directly contrary to Respondents' representations, the Division's preliminary review of bank records received thus far does not show investor monies being used to obtain financing for growing companies. Rather, the records show misuse of investor funds by Vigil and no legitimate profit-making mechanism to support the payment of promised investor returns.

44. Among other things, bank records show that Vigil transfers investor monies into Palacios's brokerage account where trades are made, spends investor monies on dining out, trips to Lagoon recreation park, payments to his criminal defense attorney, purchases of furniture, purchases of personal vehicles for Vigil's family, purchases of plots of land in Utah and in neighboring states,[14] and payments to individuals or entities to whom Vigil owes monies, none of which are consistent with what investors are told.

45. Egregious misuse of investor monies include the transfer of millions of dollars of investor funds into Palacios's TD Ameritrade brokerage account, over which Vigil has access and trades are made using investor monies.

[14] Attorney Walker also represents Vigil in those real estate transactions.

INVESTORS C.E. AND A.G.

46. On October 27, 2020, investor C.E. wired $250,000 to Grow Marketing account ending in -8247 for the purpose of securing financing for growing companies. There was a balance of $11,500 in the account consisting of prior investor funds, and another investor, A.G., wired $20,500 to the account at that time. The monies were then spent as follows:

Hedgehog bank account -9151	$73,000
Investor B.L.	$61,000
Reveal Laboratories, LLC[15]	$19,000
Investor B.W.	$10,000
Imperium Group (public relations company)	$8,000
Shane Co. (jewelry company)	$6,000
Venmo	$5,000
Individual C.Z., Vigil's fiancée	$5,000
Seat Cover Co.	$4,000
Internet-Google Ads	$4,000
Daybreak Expeditions LLC (Vigil's residential rent)	$4,000
Prime Power & Electric	$4,000
Investor C.H.	$3,000
Amazon.com	$3,000
Reveal Labs investor A.C.	$3,000
David Allred (Reveal Labs principal)	$3,000
Next Generation (unknown entity)	$3,000
Other Individual Payees	$30,000
Total Spent	$248,000

The above spending of investor monies is highly problematic. According to Bates, approximately 70% of the loans obtained for businesses through Respondents are between $500,000 and $1.5 million. The small payments to numerous individuals suggests Vigil is paying existing investors and various other individuals with new investor funds.

[15] Reveal Laboratories was a venture started by Vigil with outside investors, which was dissolved on or around May 5, 2022. Two investors claim that they were not paid their investment proceeds as originally agreed and one investor claims that they were never repaid the full balance of what they were owed by Vigil. One investor filed a lawsuit in the Fourth Judicial District for Utah County, Provo Department, Case No. 200401269. That case also involved promissory notes for loans signed by Vigil, Grow Marketing, and "Princeton Law Firm" and was later dismissed without prejudice.

INVESTOR G.J.

47. On August 16, 2021, investor G.J. wired $50,000 into Grow Marketing account -8247, that held a balance of $19,231. Prior to any other inflows, $39,715 was spent and the ending balance on August 19, 2021 was $29,516. The monies were swiftly spent as follows:

Venmo	$4,200.00
M.H. (daughter of a Vigil associate)	$4,000.00
Payments to nine (9) Previous Investors	$20,445.00
Payout back to G.J.	$854.50
Google Services	$2,055.00
Payments to Respondents (Bates, Bishop, Palacios, Hedgehog Investments)	$4,676.00
Alcohol / Bars	$2,165.23
Eating out	$168.29
E-Commerce Purchase	$56.52
Experian Credit Services	$19.99
Gas Station	$135.80
Golfing	$116.00
Groceries	$239.62
Ignition Interlock Device	$74.67
Medical Expense	$76.67
Onstar Services	$51.31
Retail Hardware	$133.99
Shoe Shop	$128.68
Streaming Service	$96.44
XM Radio	$21.92
Total Spent	$39,715.63

48. G.J.'s funds do not appear to have been used for credit repair services as represented to investors, and instead were predominantly used to pay previous investors, including a payment to G.J. himself, as well as payments to Respondents, an unrelated person, and for personal use.

INVESTOR M.R.

49. On July 18, 2022, investor M.R. wired $75,000 to Hedgehog account -9151 that had a balance of $3,527. On July 20, 2022, the account received $30,000 from Grow Marketing account -8247. On that same day, $75,000 with the memo "75 PROMISSORY NOTE CLIENT"

was transferred to Sunnyside Equity account -6619 which had a beginning balance of $71,427. Funds totaling $89,890 in that account were then used as follows:

Murdock Hyundai of Murray – Ford Bronco for Vigil's daughter[16]	$89,890
Other individual payees	$5,000
Total Spent	$94,890

50. In addition, bank records show that at least $1.3 million in investor proceeds[17] have been received by entities that Vigil and Bates own, a clear conflict of interest that was not disclosed to investors. Moreover, review of those businesses indicates they are not generating a return to support the rate of interest promised to investors. One of the Vigil companies is withdrawing significant sums of investor funds in cash without a clear business purpose.

LEGAL COUNSEL AFTER-THE-FACT DOCUMENTS AND INVOLVEMENT IN INVESTOR COMMUNICATIONS

51. In November 2024, Hedgehog's legal counsel – who also apparently represents Vigil and the Vigil entities – sent an email to at least one Vigil investor requesting that the investor sign subscription agreement documents with Sunnyside Equity in connection with their previously made investment from July, 2024. In the same email chain, the investor asked counsel to clarify certain representations regarding the investment, to which counsel requested the investor call him rather than answering the question in writing through email:

> I am more than happy to set up a time to speak with you and respond to any questions [about the investment offering]. Do you have a couple of time options tomorrow where I could give you a call to discuss? I believe with greater explanation you can better understand this process.

52. The investor told the Division that counsel represented to the investor in a phone call that their investment was "doing well" and they had "nothing to worry about." Based on bank statements reviewed by the Division, there does not appear to be evidence to substantiate

[16] Vigil signed purchase documents on behalf of his daughter.

[17] This figure is preliminary, as the Division's analysis of use of funds is ongoing.

the claim by counsel that the investor's funds were in fact generating any returns.

53. It further appears from these communications that Vigil and the Vigil Entities were having legal counsel create documentation months after investments were made – including subscription agreements that should have been provided to the investor *before* the investor invested – in an attempt to cover up prior violations of the law, such as the failure to disclose all material facts to investors.

ATTEMPTS TO OBSTRUCT DIVISION INVESTIGATION

54. On November 14, 2024, in response to a Division request, Hedgehog's legal counsel provided a list of investors and copies of Sunnyside Notes. The day before, Vigil sent an email to investors stating:

> As mentioned over the past couple of weeks, you might receive contact from someone at the State Division of Corporations and Securities seeking to ask you questions. **As a reminder, you are currently represented by [Attorney at Law Firm]. … If you get contacted, you can simply let [Attorney] know and he will respond to them on your behalf or provide advice in the Matter.** Thank you for all the follow through to date :) I'm looking forward to this all being resolved and moving forward.

(Emphasis added.)

55. After an investor shared that email with the Division, the Division contacted the attorney identified in the email to schedule meetings with investors, but the attorney indicated he did not represent the investors. He said he was asked by his friend [Hedgehog's and Vigil's counsel] to work with the investors if they requested. He did not seem to know the names of the companies involved or the nature of the Division's inquiry. After the Division provided some background, the attorney said he did not want to violate ethical guidelines and confirmed he did not represent the investors.

56. Despite this clarification, some investors have refused to speak with the Division,

stating that Vigil told them the Division can only speak with the attorney, which is false and appears intended to discourage investors from cooperating in the investigation.

NEW OFFERING AND FRAUDULENT TRANSFER OF EXISTING INVESTMENTS

57. It appears that in the first few months of 2025, Respondents have fraudulently attempted to dupe investors into moving existing investments made with Sunnyside Equity and Grow Marketing to Hedgehog Investment's purported new offering, Hedgehog II.

58. On January 23, 2025, Bates sent a Sunnyside Note investor an email with the caption "Introducing Hedgehog Investments!" which stated:

> Dear [Investor]
>
> I understand that you have been patiently waiting for the opportunity to transition from direct investments with Sunnyside Equity and Grow Marketing, managed by Will Vigil, to **an official offering with Hedgehog Investments**.[18] I'm excited to share that we are working diligently to finalize this offering, and we anticipate it will be ready to accept investments by February 1st. While there will be some additional paperwork due to the nature of the offering, we are here to assist you every step of the way. We're eager to help make this transition as smooth as possible. We will be reaching out again to start the process over the next couple weeks. Please rest assured that the terms that you and Will have discussed will be honored and we will get you on boarded as quickly as we can.
>
> We appreciate your continued interest and are excited to have you join the Hedgehog family!

(Emphasis added.)

59. The nature and purpose of this "transition" invitation is highly dubious, to say the least: This existing investor holds a Sunnyside Note issued directly by Vigil and Vigil Entities in 2024. That note, as with other Sunnyside Notes, describes the principal purpose of the note as obtaining new financing for companies through the Vigil Entities. Hedgehog Investments continues to tell investors that their monies will be disbursed by trustee Amy Walker to Vigil

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[18] This language seems to acknowledge something infirm about the existing Sunnyside Equity investment – which is in precisely the same form promissory note as the Hedgehog Notes.

Entities for that exact purpose. There would be no need or business reason for an investor whose monies Vigil already holds and controls to make a transfer of their existing note in order to invest in Hedgehog II so that their monies may be transferred once again to Vigil.

MISREPRESENTATIONS OF MATERIAL FACTS

60. In connection with the offer and sale of Hedgehog Notes and Sunnyside Notes, Respondents directly or indirectly made untrue statements of material facts, including but not limited to the following:

a. That Respondents will use investor funds to "help businesses looking to grow to the next level" and aid "young promising companies with demonstrated success and potential" to secure financing, when there is no reasonable basis for such representation;

b. That investments with Respondents have the same degree of safety as government bonds, which is false;

c. That Hedgehog respondents use a "rigorous vetting process" that makes their "model a success time and time again," which is false;

d. That Hedgehog respondents' "team takes an in depth view" of companies' "legal and financial background to ensure that we have a comprehensive understanding of the situation and processes," which is false;

e. that once 'vetting' "is complete, we only move forward if we obtain pre-approvals from potential lenders," which is false;

f. that Respondents have to "turn away" 70 to 80% of companies seeking their services, which is not true;

g. that Respondents have "never lost money on a transaction" and never had a transaction they have put funds into where they failed to obtain a loan, which is not true;

h. that "we start our engagement by signing a power of attorney which ensures that we have control over the process, turns the business into collateral while we work, and guarantees the loan comes to us once it's funded by the bank," which is false.

i. That Vigil has expertise and special relationships with commercial banks such as Bank of America and Chase Bank, which allow him to obtain loans growing companies would not otherwise qualify to receive, when there is no reasonable basis for such representation;

j. That investors will earn a high return between 12 and 49% with low or no risk, when there is no reasonable basis for such representation;

k. That Respondents will use investor monies for two loan transactions over a 12-month period, generating a gross return of 50-70%, which is false;

l. That Respondents will use investor monies for five loan transactions over a 24-month period, generating a gross return of 125-175%, which is false;

m. That since 2023, Respondents obtained over $190 million in funding for over 200 client companies seeking financing, with more than 70% of the loans between $500,000 and $1.5 million, which is false;

n. That Respondents have helped "over 350 companies obtain more than $175M dollars over the last 3 years alone," which is false;

o. That businesses receiving investor monies are already profitable but need to consolidate current debts to obtain additional financing in order to grow, which is not true;

p. That at the time each loan is funded, Respondents are able to recover investor capital spent to obtain the loan, take a fee between 25 and 35% and pay the stated rate of interest to investors, when it cannot;

q. That Hedgehog employs "skilled financial and investment professionals to help carry out our business and affairs," when in fact it does not;

r. That Hedgehog has a "track record of top investment performance," when in fact it does not;

s. That Hedgehog has "created an investment model that allows investors to earn high returns that are not market-dependent," when in fact significant evidence suggests the model is a fraud, and Respondents failed to provide the Division with information to contradict this conclusion;

t. That investment risk is mitigated through the use of an "insured trust account," which is not true;

u. That Hedgehog has $50 million in "assets under management," which includes $10 to 15 million in "reserves," which is not true; and

v. Respondents' online portal falsely shows significant gains in their investments; and

w. That as to Ruperto, telling a potential investor he is a fiduciary and licensed with a Series 65, which is false.

MATERIAL INFORMATION NOT DISCLOSED TO INVESTORS

61. In connection with the offer and sale of the Hedgehog Notes and Sunnyside Notes, Respondents directly or indirectly omitted to state material facts necessary to make the statements made, in the light of the circumstances in which they were made, not misleading, including but not limited to:

a. Bates is a convicted felon and registered sex offender;

b. Vigil's extensive criminal history and particularly his conviction for attempted communications fraud in connection with a fraudulent bank loan scheme;

c. Vigil is on Utah's Buyer Beware list and the subject of a prior cease and desist order for failing to refund a consumer who purchased his purported credit repair services;

d. that despite all the claims of extensive vetting of businesses obtaining loans with investor monies, Hedgehog Investments and its principals Bates, Bishop and Ruperto have in fact done no due diligence or any "vetting" of businesses purportedly obtaining loans with investor monies, and, in fact, have no personal knowledge of even the identities of companies purportedly receiving loans;

e. That rather than being used to obtain long-term financing for growing companies, investors monies are simply given to Vigil;

f. That investors' monies are deposited in Palacios's individually registered brokerage account and used for trading;

g. That investor monies are used by Vigil for personal expenditures such as eating out, trips to Lagoon recreation park, payments to his criminal defense attorney, purchases of furniture, purchases of personal vehicles for Vigil's family, purchases of land in Utah and in neighboring states, payments to other individuals and transfers to companies he owns and controls, and subsequent cash withdrawals from those companies;

h. That "Princeton Law Firm" is subject to a cease and desist order and is listed on Utah's Buyer Beware list for failing to comply with an order issued by the Utah

Division of Consumer Protection;

i. relevant disclosures about Vigil Entities, including that Hedgehog Investments and its agents do not know their financial conditions or any actual proof of business success;

j. that Hedgehog and Vigil Entities receiving investor funds already owe tens of millions of dollars to prior investors who purchased promissory notes based on the same purported business lending model;

k. that Respondents have no legitimate business model or income from their purported "long-term financing" lending business with which to pay the exorbitant interest promised to investors, or to even return their investors' principal;

l. that Respondents are not licensed to sell securities;

m. That among the very few businesses receiving investment proceeds are entities which Vigil and Bates own or control, that those businesses are not generating a return to even come close to supporting the rate of interest promised to investors, and further, are withdrawing significant sums of investor funds in cash without a clear business purpose;

n. that Hedgehog Investments Notes and Sunnyside Notes are unregistered securities that do not qualify for an exemption from registration; and

o. Despite claims of more than $50 million "under management" Hedgehog Investments is not licensed as an investment adviser and is not qualified to give investment advice.

62. Based upon records provided to the Division, payouts to investors are

questionable, and most choose to continue their investments rather than cash out – based on representations of even greater purported accrued profits by Respondents – by entering new notes which of course provides Respondents additional time to repay prior notes. Many notes appear to be coming due shortly, and it further appears that the recent Hedgehog II filing to raise up to $60 million may well be an attempt to raise funds to pay out existing note holders.

63. Bates and Vigil's criminal histories are not disclosed to investors. Despite Bates' sales pitch that describes numerous, significant safeguards, it is not disclosed that Hedgehog Entities (collectively), and Bates and Bishop (individually) conduct no prior or ongoing due diligence regarding Vigil's use of investors' monies it sends him. According to Bates, they simply trust Vigil is doing what he says with investor funds. In a December 2024 interview with the Division, Bates admitted Hedgehog has no oversight whatsoever of Vigil's use of the monies it sends him when investor funds are received. Moreover, Bates acknowledged he is aware of Vigil's criminal history of financial fraud, yet Bates continues to raise and transfer investor monies to Vigil for Vigil's exclusive control.

64. The Division has reason to believe, and does believe, that as of the date of this Emergency Order, the Respondents continue to fraudulently offer and sell unregistered, nonexempt securities while unlicensed. The most recent known solicitation occurred on or around January 23, 2025. Since then, it is clear from recent records received by the Division that as of March 31, 2025, Respondents have continued to raise millions of dollars from investors, which monies are transferred to Vigil's entity, CFG.

65. The Division has reason to believe, and does believe, that Respondents have violated and continue to violate one or more provisions of the Act.

66. The Division enters this Emergency Order to stop Respondents from continuing

to inflict immediate and significant public harm.

RESPONDENTS' MISUSE OF FUNDS

67. The Division's preliminary review of bank records shows pervasive misuse of investor funds and no legitimate profit-making mechanism to support the payment of the high interest returns promised to investors. Directly contrary to Respondents' representations, investor funds received were not used to pay down debt and obtain bank loans for growing businesses. Furthermore, there appear to be instances of using new investors' funds to make payments to previous investors, a classic hallmark of a fraudulent securities scheme.

68. A significant number of transactions appear to be conversion of investor funds for personal use by Vigil, trading in a brokerage account, as well as undisclosed transfers of investor funds to companies owned and controlled by Vigil and Bates. There also appear to be payments being made from Vigil to individuals to whom he owes monies unrelated to the purported business model described to investors.

RESPONDENTS' RESPONSES TO DIVISION

69. As of the date of this Emergency Order, Respondents have ceased communications with the Division, and Vigil – the undisputed recipient of all investor monies in this matter – has not produced the documents and information requested in the Division's subpoena.

CONCLUSIONS OF LAW

THE DIVISION'S JURISDICTION AND AUTHORITY

70. The Division has jurisdiction over matters relating to securities pursuant to the Act.

71. The investment opportunities offered and sold by Respondents are promissory notes or investment contracts, which are defined as securities under Sections 61-1-13(1)(ee)(i)(A) and (K) of the Act.

72. Utah Code Ann. § 63G-4-502 provides:

> (1) An agency may issue an order on an emergency basis without complying with the requirements of this chapter if
>
> (a) the facts known by the agency or presented to the agency show that an immediate and significant danger to the public health, safety, or welfare exists, and
>
> (b) the threat requires immediate action by the agency.
>
> (2) In issuing its emergency order, the agency shall
>
> (a) limit its order to require only the action necessary to prevent or avoid the danger to the public health, safety, or welfare,
>
> (b) issue promptly a written order, effective immediately, that includes a brief statement of findings of fact, conclusions of law, and reasons for the agency's utilization of emergency adjudicative proceedings, and
>
> (c) give immediate notice to the persons who are required to comply with the order.
>
> (3) If the emergency order issued under this section will result in the continued infringement or impairment of any legal right or interest of any party, the agency shall commence a formal adjudicative proceeding in accordance with the other provisions of this chapter.[19]

73. As discussed below, the Division finds that Respondents' conduct, if not immediately ceased, poses an immediate and significant danger to the public health, safety, or welfare.

74. To prevent the ongoing substantial harm to the public, the Division finds that immediate action is necessary.

75. Furthermore, the Division's Emergency Order, below, is limited to requiring the Respondents from ceasing and desisting in specific conduct, the cessation of which is necessary to prevent and avoid immediate and future harm to the public.

SECURITIES FRAUD

76. Utah Code Ann. § 61-1-1 states:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly to:

(1) employ any device, scheme, or artifice to defraud.

(2) make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or

(3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

77. As described herein, including but not limited to the findings in paragraphs 60 and 61, in connection with the offer and sale of securities, Respondents made untrue statements of material facts and 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, in violation of Section

[19] Utah Admin. Code R151-4-111 – "Review of Emergency Orders" – provides further details as to the commencement of formal adjudicative proceedings. The "Notice of Opportunity for Hearing," attached hereto,

61-1-1(2) of the Act.

78. As described herein, in connection with the offer and sale of securities Respondents engaged in an act, practice, or course of business which operated as a fraud or deceit upon investors, including but not limited to their actions in promoting a false business model to obtain investor monies and converting investor monies for personal use, in violation of Section 61-1-1(3) of the Act.

UNLICENSED ACTIVITY

79. Utah Code Ann. § 61-1-3(1) states:

> It is unlawful for a person to transact business in this state as a broker-dealer or agent unless the person is licensed under this chapter.

80. As described herein, Hedgehog Investments, Hedgehog I, Hedgehog II, Sunnyside Equity, Grow Marketing, CFG, "Princeton Law Firm" and Stronghold Wealth acted as unlicensed broker-dealers by offering and selling securities in Utah, in violation of Section 61-1-3(1) of the Act.

81. Bates, Bishop, Vigil, Palacios, Jason Stock, Prazen and Ruperto acted as unlicensed agents by effecting or attempting to effect purchases or sales of securities in Utah, in violation of Section 61-1-3(1) of the Act.

82. Utah Code Ann. § 61-1-3(2)(a)(i) states:

> It is unlawful for a broker-dealer or issuer to employ or engage an agent unless the agent is licensed.

83. As described herein, Hedgehog Investments, Hedgehog I, Hedgehog II, Sunnyside Equity, Grow Marketing, CFG, "Princeton Law Firm" and Stronghold Wealth, acting as broker-dealers or issuers, employed or engaged unlicensed agents Bates, Bishop, Vigil, Palacios, Jason Stock, Prazen and Ruperto, to effect or attempt to effect purchases or sales of

securities, in violation of Section 61-1-3(2)(a)(i) of the Act.

SALE OF UNREGISTERED SECURITIES

84. Utah Code Ann. § 61-1-7 states:

> It is unlawful for any person to offer or sell any security in this state unless it is registered under this chapter, the security or transaction is exempted under Section 61-1-14, or the security is a federal covered security for which a notice filing has been made pursuant to the provisions of Section 61-1-15.5.

85. The securities offered and sold by Respondents are not registered with the Division, do not qualify for any exemption from registration, and are not federal covered securities for which any notice filing was made. Respondents are therefore in violation of Section 61-1-7 of the Act.[20]

FINDINGS ESTABLISHING DANGER OF IMMEDIATE AND SIGNFICANT HARM TO THE PUBLIC

86. Between the Hedgehog Notes and Sunnyside Notes, Respondents have fraudulently taken at least $84 million from more than 300 investors, and through Hedgehog II are now continuing to solicit investments from new investors, and/or attempting to move existing investors to whom they owe significant monies, including substantial interest, into new investments.

87. The Division believes, based on evidence of the continued illegal and fraudulent solicitations and sales activities of Respondents – as recently as January 23, 2025, when an

[20] Notes issued by Hedgehog Investments and the Sunnyside Notes are unregistered securities. Hedgehog I and II purport to rely on Regulation D, Rule 506(b), a "safe harbor" under Section 4(a)(2) of the 1933 Securities Act, for an exemption from registration. Pursuant to Utah Code Ann. § 61-1-14.5, the burden of proving an exemption from registration is on the person claiming such exemption. Respondents have not provided evidence to show they meet an exemption from registration. Therefore, based upon the record developed through the Division's investigation, the Notes issued by Hedgehog Investments and the Sunnyside Notes are unregistered securities.

investor was solicited for a new investment, as well as the inflow of millions of dollars as of March 31, 2025 that are being transferred to Vigil's company, CFG – that Respondents continue to misrepresent and omit material facts in connection with the offer and sales of securities, engage in fraudulent acts and practices by misusing investor funds, and continue to offer and sell unregistered securities without a license in the State of Utah.

88. Respondents have further attempted to dissuade investor cooperation by discouraging investors from speaking with the Division and purportedly retaining unrequested legal counsel on behalf of investors, and telling investors the Division may only speak to that counsel.

89. Moreover, the Division's preliminary analysis of financial records showing misuse of investor funds further presents a grave and immediate harm to investors and the investing public.

90. The Division believes that Respondents will continue to illegally solicit investment funds from Utah investors as they continue to promote and offer these illegal investments to the unsuspecting public and will continue to do so in the future if not ordered to cease and desist.

EMERGENCY ORDER

In light of the foregoing, and in order to prevent or avoid danger to the public welfare, it is hereby ORDERED in accordance with Utah Code Ann.§ 63G-4-502 that:

1. Respondents, together with their employees, agents, affiliates, assignees, successors, and associated entities, shall immediately CEASE AND DESIST from offering or selling securities, such as the promissory notes, other offerings that fail to comply with the requirements of an exemption under the Act, or otherwise in violation of the Act, in or from Utah, and from directly or

indirectly aiding or assisting other individuals or entities from offering or selling securities, such as the promissory notes, other offerings that fail to comply with the requirements of an exemption under the Act, or otherwise in violation of the Act, in or from Utah.

2. Respondents, together with their employees, agents, affiliates, assignees, successors, and associated entities, shall immediately CEASE AND DESIST from any and all other or further violations of the Act.
3. Respondents are advised that, pursuant to the Utah Code Ann. § 61-1-21, any violation of this Emergency Order is punishable as a third-degree felony.

Dated this 23rd day of May, 2025.

Robert B. Cummings
Director, Utah Division of Securities

NOTICE OF OPPORTUNITY FOR HEARING

In accordance with Utah Admin. Code R151-4-111, the Division will schedule a hearing upon receipt of a written request from Respondents. At the hearing, it will be determined whether this Emergency Order should be affirmed, set aside, or modified based on the standards set forth in Utah Code Ann. § 63G-4-502. The hearing will be conducted in conformity with Utah Code Ann. § 63G-4-206.

Upon receipt of a written request for a hearing pursuant to Utah Admin Code R151-4-111, the Division will conduct a hearing as soon as reasonably practical, but not later than twenty (20) days from receipt of a written request, unless the Division and the party requesting the hearing agree to conduct the hearing at a later date.

CERTIFICATE OF MAILING

I certify that on the 23rd day of May, 2025, I emailed and/or mailed by certified mail as designated, a true and correct copy of the Emergency Order to Cease and Desist to:

Hedgehog Investments LLC
Attn: Matthew Bates
2901 W. Bluegrass Blvd., #430
Lehi, UT 84043
and email:
matt@hedgehoginvestments.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5160 05

Hedgehog Holdings I, LLC
Attn: Matthew Bates
2901 W. Bluegrass Blvd., #430
Lehi, UT 84043
matt@hedgehoginvestments.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5160 50

Hedgehog Holdings II, LLC
Attn: Matthew Bates
2901 W. Bluegrass Blvd., #430
Lehi, UT 84043
matt@hedgehoginvestments.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5160 98

Matthew Morrison Bates
2901 W. Bluegrass Blvd., #430
Lehi, UT 84043
matt@hedgehoginvestments.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5161 35

Joshua Curtis Bishop
2901 W. Bluegrass Blvd., #430
Lehi, UT 84043
Josh@hedgehoginvestments.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5163 88

Wilfred Jose Manuel Vigil
4135 South Carter Circle
Salt Lake City, UT 84124
Princeton73@gmail.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5164 01

Sunnyside Equity Holdings, LLC
Attn: Wilfred Jose Manual Vigil
4135 South Carter Circle
Salt Lake City, UT 84124
Princeton73@gmail.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5164 63

Frances M. Palacios
5065 Sandpiper Drive #530
Holladay, UT 84117
francesm.palacios@gmail.com
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amy@millerharrisonlaw.com
(*Email & Certified Mail*)

Certified Mail #9314 8699 0430 0135 5165 62

Grow Marketing Company, L.L.C.
Attn: Wilfred Jose Manual Vigil
4135 South Carter Circle
Salt Lake City, UT 84124

Certified Mail #9314 8699 0430 0135 5166 09

Corporate Funding Group, LLC
Attn: Wilfred Jose Manual Vigil
3381 W. Mayflower Avenue Ste.175
Lehi, UT 84043

Certified Mail #9314 8699 0430 0135 5166 47

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