

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
JOSEPH J. HRDLICKA,

PETITION FOR ORDER

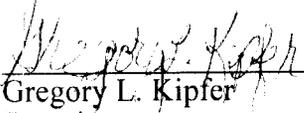
Respondent.

File No. S-05213(EX)

The staff of the Bureau of Registration & Enforcement, Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Joseph J. Hrdlicka (“Hrdlicka”) is an adult male with a date-of-birth of 12/25/32, and a last known home address of 11118 18th Avenue, Chippewa Falls, Wisconsin 54729.
2. During 2004 and 2005, Hrdlicka, obtained over \$735,000 from at least four persons in Wisconsin and issued to those persons a “Promissory Note” and/or an “Investment Receipt” as evidence of the debts. The “Promissory Note(s)” indicated that the investment was to be repaid “with interest within 15 days. The “Investment Receipt(s) indicated that repayment would occur “upon wire transfer of said funds” to Hrdlicka.
3. The “Promissory Notes” and “Investment Receipts” are securities as defined by sec. 551.02(13)(a), Wis. Stats.
4. Upon information and belief, Hrdlicka was to use the cash that he obtained to purchase investments in offshore investment plans, to cover the purported bank costs of transferring funds within these plans, or to pay taxes to obtain payments from the investment plans. The investment plans were reportedly in foreign countries including Nigeria, China, United Kingdom, the Netherlands, Greece, Switzerland, and Taiwan.
5. Upon information and belief, during 2004 and 2005, Hrdlicka wired over \$574,000 to various overseas banks as part of his involvement in overseas investment programs.
6. Upon information and belief, Hrdlicka told investors that he would soon be receiving as much as \$15 million from an overseas investment and that upon receipt of that money he would pay investors an amount indicated on each “Investment Receipt.”
7. The securities described above have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
8. Respondent has violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
9. Hrdlicka has repaid little or no money on the over \$574,000 that was invested through him, despite numerous demands by investors that he do so.
10. Hrdlicka has failed to respond to a written request of the Division for information and documents of his securities-related activities in and from Wisconsin, despite the due date having passed for his response.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.



Gregory L. Kipfer 5/15/06 Date
Examiner
Bureau of Registration & Enforcement



David A. Cohen 5/12/06 Date
Supervising Attorney
Bureau of Registration & Enforcement