STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case No. S-25-0025
RUBEN LEDESMA JR. aka RUBEN LEDESMA HUDSON, an Individual, and THE ADVANCEMENT GROUP INVESTMENT FUND LLC, a Wyoming Limited Liability Company,	FINAL ORDER TO CEASE AND DESIST, FINAL ORDER DENYING USE OF EXEMPTIONS, FINAL ORDER ASSESSING CIVIL PENALTIES, AND FINAL ORDER ASSESSING RESTITUTION, ENTERED BY DEFAULT
Respondents.	**AS AGAINST RESPONDENT THE ADVANCEMENT GROUP INVESTMENT FUND LLC ONLY**

On June 17, 2025, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), by and through the Division of Financial Regulation ("Division"), served an Order to Cease and Desist, Proposed Orders Denying Use of Exemptions, Assessing Civil Penalties, and Ordering Restitution, and Notice of Right to an Administrative Hearing ("Notice") on Ruben Ledesma Jr. aka Ruben Ledesma Hudson ("Hudson") and The Advancement Group Investment Fund LLC ("TAG") (collectively, "Respondents").

The Notice offered Respondents an opportunity for a hearing if requested within 20 days of service of the Notice. The Notice informed Respondents that, subject to exceptions, any hearing request submitted on behalf of a corporation, partnership, limited liability company, unincorporated association, trust or governmental body ("Entity Respondent") by a person that was not licensed to practice law in Oregon must be ratified, in writing, by a person that is allowed to practice law in Oregon within 28 days from the day the hearing

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request was received by the Director.[1] The Notice informed Respondents that a hearing request that was not properly ratified would be deemed invalid.

The Notice further informed Respondents that any Respondent that did not file a timely hearing request will have waived their right to a contested case hearing, and that if a hearing was not conducted against them because they did not timely request a hearing or otherwise defaulted then the designated portion of the Division's file and all materials submitted by Respondents in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

On July 7, 2025, Hudson submitted a written hearing request to the Division via e-mail. The Division interpreted Hudson's request as extending to TAG, as Hudson is TAG's chief executive officer and managing partner. Hudson is not licensed to practice law in Oregon.

On July 9, 2025, the Division reminded Hudson that TAG was required to have its request ratified within 28 days by a person allowed to practice law in Oregon.

TAG failed to have its hearing request ratified within 28 days, or at all, and its hearing request has been deemed invalid.

After considering the relevant portion of the Division's file in this matter, the Director finds that the record proves a prima facie case as against Respondent TAG, such that an Order of Default may be entered against such Respondent only.

FINDINGS OF FACT

The Director FINDS that:

1. TAG is a Wyoming limited liability company with a principal place of business at 4213 Hermosa St., Corpus Christi, TX 78411.

2. At all relevant times, Hudson was TAG's chief executive officer and managing partner.

[1] *See* Oregon Administrative Rules 137-003-0550(2) and (4).

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3. At all relevant times, Hudson acted on TAG's behalf and controlled and directed all actions of TAG. Hudson caused TAG to take or fail to take each action or failure to act of TAG identified in this *Order to Cease and Desist, Proposed Order Denying Use of Exemptions, Proposed Order to Assess Civil Penalties, and Notice of Right to an Administrative Hearing*.

Misrepresentations Concerning TAG's Business Activities

4. In or around July 2023, Hudson met Oregon consumer "KB" on an online social networking platform and they began exchanging messages.[2]

5. Shortly thereafter, Hudson described TAG's business activities to KB, claiming TAG "managed funds for high net [worth] individuals providing fixed returns of 10%."

6. Hudson told KB that TAG engaged in "asset monetization" by "unlocking the value of an underutilized asset." He claimed the assets varied from gemstones to real estate.

7. In or around August 2023, Hudson identified the following "loan investment projects" TAG had conditionally approved pending underwriting approval:

A. A chartered aircraft purchase, valued at $500 million;

B. The purchase of two banks with related improvements, valued at $130 million;

C. A munitions manufacturing construction project, valued at $25 million;

D. A land hotel development project, valued at $15 million;

E. A gold mining project, valued at $125 million;

F. An organic baby formula manufacturing project, valued at $800 million; and

G. A "health and wellness with nutritional component" project, valued at

[2] Hudson maintained the alias of "Hudson" in his interactions with KB.

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$1 billion.[3]

8. Hudson told KB that TAG would earn 2.5 - 3.5% of the value of each of the foregoing projects.

9. Upon information and belief, at no time did TAG manage funds for high net worth individuals and/or provide returns of any kind.

10. Upon information and belief, the foregoing projects were entirely fabricated, along with all subsequently-referenced projects.

11. Upon information and belief, at no time did TAG engage in any legitimate business operations.

Investment Solicitations and Sale

12. As their relationship developed, Respondents offered financial enticements to KB to promote the perception of Respondents as successful and well-resourced and prime KB for investment solicitations. To this end, Hudson:

A. Offered KB a job as TAG's Director of Operations, with a salary of $200,000 plus bonuses; and

B. Offered to finance a $650,000 home mortgage for KB with a 5% interest rate.

13. At no time did Respondents formalize a job offer to KB and/or take meaningful steps to make him a mortgage loan.

14. In or around September 2023, Respondents solicited KB to invest in TAG, pitching numerous investment projects. The first was to contribute to the purchase of $5.9 billion in uncut rubies for a monthly return of $100 - $110 million for ten months, with a second purchase for $4.73 billion for a monthly return of $70 - $80 million for ten months.

15. On or around September 22, 2023, Respondents solicited KB to invest in one

[3] Over the course of their relationship, Hudson represented that TAG was in the process of funding numerous other projects of a similar nature.

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of two real estate projects:

A. Funding a 60-day $250,000 bridge loan, secured by real estate; or

B. Funding a $250,000 loan, secured by real estate, with a 10% return in 90 days.

16. On or around September 23, 2023, Hudson pressured and coerced KB to invest with Respondents by claiming:

A. He had recently learned that the proposed investment in rubies could result in much higher returns;

B. He needed to have funding in place for the real estate projects by September 28, 2023; and

C. He'd give KB the right of first refusal to purchase Hudson's home in three to five years.

17. On or around September 25, 2023, KB initiated a $250,000 wire transfer from his Chase Bank account to Hudson's Heritage Bank account. When asked, KB admitted to not knowing exactly which project his investment was intended to fund.

18. On or around October 2, 2023, Hudson provided KB with a draft document intended to formalize KB's investment. The document, titled "Joint Venture Agreement ("JVA")," was sparse, contradictory, and vague. It described a venture to be managed by Hudson on behalf of the "joint venture partners," who were not named. The purpose of the agreement was to "invest the initial capital of $250,000 provided by the partners to generate a return of 12% in 120 days." The JVA stated that Hudson, as Managing Partner, was responsible for making investment decisions but also that the unnamed joint venture partners would meet to make joint investment decisions up to three times per year. The JVA contained no description of specific investment projects.

19. The JVA, unsigned and back-dated to September 24, 2023, is the only documentation KB received in connection with his investment.

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20. At no time did Respondents provide KB with the following facts and information regarding the investment in rubies described in Paragraphs (14) and (16):

A. A detailed description of business plans for the investment;

B. A financial balance sheet of the investments profit and loss; and/or

C. Detailed disclosures of the risks specific to the investment, including the risks the projects would not produce the estimated returns.

21. KB did not have any control over the use of his investment funds.

22. KB did not play an active role in the Respondents' business operations and relied on Respondents' efforts and purported experience to realize a return on his investment.

Misuse of Investment Funds

23. At the time of KB's investment, Hudson's Heritage Bank account had a balance of negative $6.02.

24. In the course of investigation, the Director identified four additional bank accounts held by Hudson. The Director identified no accounts held by TAG. Each of Hudson's accounts had low, often negative, balances in the months preceding KB's wire transfer. The account records showed no consistent source of income for Respondents.

25. In the three days following KB's wire transfer, Hudson spent approximately $15,000 on retail purchases, cash withdrawals, and transfers to various personal accounts.

26. On or around September 28, 2023, Heritage Bank placed restrictions on Hudson's account due to concerns that the rapid outflow of funds reflected fraudulent activity.

27. At Hudson's prompting, KB communicated to Chase Bank that the wire transfer and subsequent expenditures were not related to fraudulent activity.

28. On or around October 4, 2023, Heritage Bank lifted the restrictions on Hudson's account. Hudson resumed making personal expenditures with KB's funds.

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29. Hudson did not inform KB that Heritage Bank lifted the restrictions on his account. Instead, he falsely claimed the restrictions remained in place and offered to refund KB's investment once he regained access to the funds. In the meantime, he began distancing himself from KB, claiming he was unavailable due to travel plans and commitments to Respondents' various projects.

30. On or around October 10, 2023, Heritage Bank closed Hudson's account due to fraud-related concerns and issued him a check for $228,882.98, the balance of KB's funds. Hudson deposited the check into a personal Umpqua Bank account and continued making personal expenditures with the funds.

31. On or around November 16, 2023, Hudson reiterated his offer to refund KB his initial investment, plus interest, once the funds became available. At this point, Hudson had spent approximately $212,000 of KB's funds. This was the last communication between Hudson and KB.

32. By on or around December 28, 2023, Hudson had spent virtually all of KB's funds for personal enrichment unrelated to any legitimate business or investment activities. Hudson's expenditures included:

A. $73,159 in cashier's checks, of which $72,460 were issued directly to Hudson;

B. $68,123.20 in Peer-to-Peer and Account-to-Account transfers, the vast majority of which were transferred to Hudson's PayPal, Venmo, CashApp, and Apple Cash accounts;

C. $29,999 to the State of Texas to satisfy Hudson's child support arrears;

D. $23,780.07 in retail purchases;

E. $23,218.58 in personal expenses, including massages, hair and nail salons, dry cleaning, and chiropractic and dental services;

F. $18,034.82 in cash withdrawals;

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G. $5,075.41 in personal travel expenses; and

H. $5,000 to satisfy Hudson's credit card debt.

33. Respondents failed to pay KB pursuant to the terms of the JVA. They only returned $699 to KB, issued via a cashier's check.

Criminal History and Registration/Licensing Failures

34. Hudson failed to inform KB that he had been convicted of felonies as follows:

A. On February 5, 2001, he was convicted of an undisclosed felony;[4]

B. On May 26, 2006 he was convicted of motor vehicle theft;[5] and

C. On April 10, 2025, he was convicted of Theft Valued at $1,500 to $20,000.[6]

35. At no time did Respondents register KB's investment with the Director pursuant to ORS 59.055.

36. At no time have Respondents held an Oregon broker-dealer or securities salesperson license, or otherwise been licensed with the Director to sell securities in Oregon pursuant to ORS 59.165.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

37. The investment Respondents sold to KB is a "security" under ORS 59.015(19)(a), as it is either an "investment contract" or "evidence of indebtedness." It is an investment contract because KB invested money in a common enterprise with the expectation of profit to be made by the management and control of others.

38. By offering and selling the investment to KB, Respondents "sold" a security, under ORS 59.015(17)(a) and (b), and transacted business as "securities salespersons" under ORS 59.015(18)(a).

[4] *See* Texas case number 99-CR-1637A.
[5] *See* Arkansas case number SS-05-3457CR.
[6] *See* Texas case number 296-82033-2014.

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39. By offering and selling a security to KB without being licensed under the Oregon Securities Law, Respondents violated ORS 59.165(1).

40. By selling an unregistered security to KB, Respondents violated ORS 59.055.

41. Respondents made the following misrepresentations in connection with the sale of a security to KB, in violation of ORS 59.135(2):

A. TAG "managed funds for high net [worth] individuals providing fixed returns of 10%;"

B. TAG was managing the investment projects identified in Paragraphs (7) and (14) – (15), for which it earned 2.5- 3.5% of the projects' value;

C. The ruby project could result in higher returns than previously projected, as set forth in Paragraph (16)(B); and

D. Respondents would use KB's investment funds in furtherance of the specified investment projects.

42. Respondents omitted to state the following material facts in connection with the sale of a security to KB, in violation of ORS 59.135(2):

A. A detailed description of business plans for the investment in rubies described in Paragraphs (14) and (16);

B. A financial balance sheet of the profit and loss for the investment in rubies;

C. Detailed disclosures of the risks specific to the investment in rubies, including the risks the project would not produce the estimated returns; and

D. That Hudson had been convicted of numerous felonies, including two theft convictions.

43. Respondents employed a device, scheme, or artifice to defraud KB, in violation of ORS 59.135(1), and engaged in an act, practice, or course of business which operated as a fraud or deceit upon KB, in violation of ORS 59.135(3), by:

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A. Falsely claiming that TAG managed large investment projects for high net worth clients which produced significant returns and business revenue, when it had no legitimate presence and produced no income;

B. Coercing KB's investment through lucrative promises of employment, a personal mortgage, and the purchase of Hudson's personal residence;

C. Coercing KB's investment by representing that KB had only five days to decide whether to invest; and

D. Perpetuating the misrepresentation that KB's investment funds were unavailable to prevent him from discovering that Hudson was rapidly spending the funds for his personal enrichment, as set forth in Paragraphs (25) – (33).

44. Because the Director has reason to believe that Respondents have engaged, are engaging, or are about to engage in violations of the Oregon Securities Law, the Director may issue an order to Respondents to cease and desist from violations of the Oregon Securities Law under ORS 59.245(4).

45. Because the Director has reason to believe that Respondents have engaged or are about to engage in violations of the Oregon Securities Law, or that the use of any exemption by Respondents would work a fraud or imposition on purchasers, the Director may deny Respondents the use of exemptions to the securities registration requirements under ORS 59.045(2).

46. The Director may impose a civil penalty of up to $20,000 *per violation* upon any person who violates, or who procures, aids or abets the violation of, the Oregon Securities Law, under ORS 59.995(1).

47. The Director may order a person whose acts, omissions, practices, operations or violation of ORS 59.005 to 59.505 and 59.710 to 59.830 or a rule or order of the director causes harm to another person to pay restitution to the other person, under ORS 59.995(4).

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ORDERS

Now therefore, the Director issues the following ORDERS as against TAG only:

48. As authorized by ORS 59.245(4), the Director hereby ORDERS TAG to CEASE AND DESIST from violating ORS 59.055, ORS 59.135(1), (2), and (3), and ORS 59.165(1).

49. As authorized by ORS 59.045(2), the Director hereby DENIES TAG, and any successor business entity or any business entity owned, operated, or controlled by TAG, the use of exemptions that would otherwise be available to TAG under ORS 59.025 and ORS 59.035, concerning securities and transactions exempt from the registration requirements of the Oregon Securities Law.

50. As authorized by ORS 59.995(1), the Director hereby ORDERS that TAG pay a CIVIL PENALTY totaling $80,000 as follows:

A. $20,000 for violating ORS 59.055.

B. $20,000 for violating ORS 59.135(2);

C. $20,000 for violating ORS 59.135(1) and (3); and

D. $20,000 for violating ORS 59.165(1).

51. As authorized by ORS 59.995(4), the Director hereby ORDERS that TAG pay RESTITUTION to KB totaling $249,301.

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52. This is a "Final Order" under ORS 183.310(6)(b). Subject to this provision, the entry of this Order does not limit further remedies that may be available to the Director under Oregon law.

SO ORDERED this 26th day of August, 2025.

SEAN O'DAY, Interim Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served. Note that under ORS 59.295(2), in the absence of a timely demand for a hearing, no person shall be entitled to judicial review of the order.

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