

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF: BASALT CAPITAL LLC

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FILE NO. 1000129

ORDER OF SUSPENSION

TO THE RESPONDENT: Basalt Capital LLC.
 (CRD #: 148004)
 100 North Riverside Plaza Suite **2400**
 Chicago, Illinois 60606

WHEREAS, the above-captioned matter came on to be heard on June 16, 2010 pursuant to the Notice of Hearing dated April 9, 2010, FILED BY Petitioner Secretary of State, and record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Finding of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, Attorney at Law, in the above-captioned matter have been read and examined.

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct and are hereby adopted as the **Findings of Fact** of the Secretary of State:

1. The Department served Respondent with a Notice of Hearing on the 9th day of April, 2010 and the 24th day of May.
2. The Respondent failed to answer, appear, or submit a responsive pleading.
3. The Respondent did not appear at the hearing.
4. That at all relevant times, the Respondent was registered with the Secretary of State as an investment adviser in the State of Illinois pursuant to Section 8 of the Act.
5. That the Respondent failed to file a 8.D(9) Form by December 31, 2009.
6. That The Office of the Secretary of State, Illinois Securities Department (the "Department") attempted to contact the Respondent by facsimiles and emails to

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remind them of their obligation to file the 8.D(9) Form and pay the required late filing fee, without any response by the Respondent.

7. That the Respondent has refused and continues to refuse to pay the late filing fee.

WHEREAS, the Secretary of State makes the following additional Finding of Fact:

8. On April 22, 2010 Respondent submitted the 8.D(9) form, but failed and refused to pay the \$50.00 late fee.

WHEREAS, the proposed Conclusions of Law made by the Hearing officer are correct, they are hereby adopted as the **Conclusions of Law** of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondent on or about April 9, 2010 and May 24, 2010.
2. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
3. Because of Respondent's failure to timely file an answer, a special appearance or other responsive pleading in accordance with Section 13.1104:
 - (a) the allegations contained in the Notice of Hearing are deemed admitted;
 - (b) Respondent waived his right to hearing;
 - (c) Respondent is subject to an Order of Default.
4. Because the Respondent failed to appear at the time and place set for hearing, in accordance with Section 130.1109, he:
 - (a) waived his right to present evidence, argue, object or cross examine witnesses; or
 - (b) otherwise participate at the hearing.
5. That Section 8.D(9)(a) of the Act requires that each investment adviser registered in the State of Illinois file a Designated Principal(s) and Branch Office re-registration Form ("8.D(9)Form") with the Secretary of State by December 31 of the current year, for the next calendar year.
6. That Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
7. That by virtue of the foregoing, the Respondent has committed a violation of Section 12.D of the Act.

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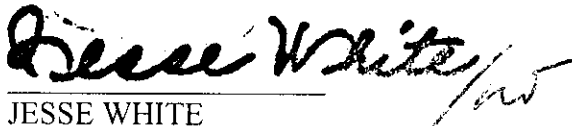
8. That Section 8.E(1)(g) of the Act provides that the registration of an investment adviser may be revoked or suspended if it has violated any of the provisions of this Act.
9. That by virtue of the foregoing, the Respondent's registration as an investment adviser in the State of Illinois is subject to revocation or suspension pursuant to Section 8.E(1)(g) of the Act.

WHEREAS, the Hearing Officer recommended that the Secretary of State should Revoke respondent BASALT CAPITAL LLC'S registration as an Investment Adviser in the State of Illinois, but in light of receipt of the 8.D(9) Form on April 22, 2010 the Secretary of State deems it appropriate instead to SUSPEND respondents registration until such time as the \$50.00 late fee is paid:

NOW THEREFORE, IT SHALL BE AND IS HERBY ORDERED THAT:

1. BASALT CAPITAL LLC'S registration as an investment adviser in the State of Illinois is **SUSPENDED, until the \$50.00 late fee is paid.**
2. The matter is concluded without further proceedings.

DATED: This ^{28th} Day of *July*, 2010



JESSE WHITE
Secretary of State
State of Illinois

Daniel Tunick
Attorney for the Secretary of State
Illinois Securities Department
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Notice: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et. seq.] and the Rules and Regulations of the Illinois Securities Act, [14 ILL. Admin. Code Ch. I, Section 130.1123]. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order was served upon the party seeking review.