

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801) 530-6980

BEFORE THE DIVISION OF SECURITIES

OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

IN THE MATTER OF:

DAVID FRANKLIN HULL, JR.;

Respondent.

**AFFIDAVIT OF SERVICE AND
NON-RESPONSE**

Docket No. 06-0088

I, Pam Radzinski, first being duly sworn, depose and state as follows:

1. I am the Executive Secretary for the Department of Commerce Division of Securities (the Division).
2. As executive secretary for the Division, I am responsible for supervising the mailing of the Division's Orders to Show Cause and for receiving any responses filed by respondents.

3. On November 8, 2006, the Division mailed, by certified mail, an Order to Show Cause (OSC) to David Franklin Hull, Jr. (Hull), along with a Notice of Agency Action (Notice), advising that a default order would be entered if he failed to file a written response to the OSC within thirty (30) days of the mailing date of the Notice.
4. On December 29, 2006, the Division received formal notice from the United States Postal Service that delivery of the OSC and Notice was attempted and notice left, but Hull failed to pick up and sign for the certified mail.
5. On December 12, 2006, the Division also mailed the OSC and Notice to Hull by regular (non-certified) mail.
6. These were not returned by the postal service.
7. As of the date of this Affidavit, the Division has not received a response from David Franklin Hull, Jr.

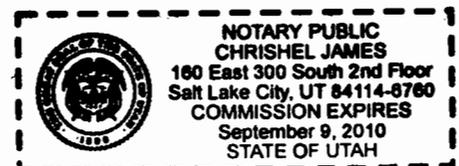
DATED this 1st day of ~~January~~^{FEBRUARY}, 2007.

PAM RADZINSKI
PAM RADZINSKI
Executive Secretary

SALT LAKE COUNTY)
) ss
STATE OF UTAH)

Signed and subscribed to before me this 1st day of ~~January~~^{February}, 2007.

Chrishef James
Notary Public



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

IN THE MATTER OF:

DAVID FRANKLIN HULL, JR.;

Respondent.

**NOTICE OF ENTRY OF DEFAULT
AND ORDER**

Docket No. 06-0088

I. BACKGROUND

A formal adjudicative proceeding was initiated by the Division's Order to Show Cause (OSC) and Notice of Agency Action (Notice) dated November 6, 2006, against David Franklin Hull, Jr. At a December 11, 2006 administrative hearing, the presiding officer held David Franklin Hull, Jr. in default for failing to respond to the Division's OSC, and for failing to appear at the scheduled administrative hearing.

II. FINDINGS OF FACT

1. On November 8, 2006, the Division mailed, by certified mail, an OSC and Notice to David Franklin Hull, Jr. (Hull), advising that a default order would be entered if he failed to file a written response to the OSC within thirty (30) days of the mailing date of the Notice.
2. On or about December 11, 2006, the Division determined that the United States Postal Service had attempted to deliver the OSC and Notice to Hull, but Hull ignored notices left and would not sign for the certified mail.
3. At a December 11, 2006 administrative hearing, the presiding officer, Wayne Klein, held Hull in default for failing to respond to the OSC and for failing to appear at the hearing, but requested that the Division attempt service on Hull via regular (non-certified) mail.
4. On December 12, 2006, the Division mailed, by regular mail, the OSC and Notice to Hull.
5. These were not returned by the postal service.
6. At a January 16, 2007 hearing, the presiding officer stated that he would sign a default order against Hull for failing to file a response to the November 6, 2006 OSC and for failing to appear at the hearing.
7. David Franklin Hull, Jr. currently resides in Ada County, Idaho, but at all times relevant to the matters asserted in this Notice of Entry of Default and Order, Hull resided in Summit County, Utah.

8. In December 2003, D. A., a Utah investor, met Hull in Summit County, Utah, where they were both on the board of directors of a local church (the Church).
9. On July 14, 2004, as president and CEO of Tambora Financial Corporation (Tambora)¹, Hull issued a letter to Tambora shareholders stating that Tambora had “signed a binding commitment with a public shell, which puts us on a specific timetable to become a public company.”
10. Over a period of several months in 2004, Hull solicited D. A. to purchase shares of Tambora. Hull told D. A. that Tambora was a private corporation, but when it went public², D. A. would make three times what he invested.
11. Hull failed to tell D. A. that for a period beginning in March 2004, Hull had been fraudulently misusing the Church’s credit card, and subjected himself to potential civil and/or criminal actions.
12. On November 10, 2004, D. A. purchased \$7,500 in Tambora stock, by giving Hull a personal check made payable to the Church. D. A. intended to donate the Tambora stock to the Church.
13. Hull deposited D. A.’s check into the Church’s bank account, and in turn, issued a check from the Church to Tambora for \$7,500.

¹ Tambora Financial Corporation was incorporated in the state of Utah on September 22, 1997, and its corporate status is currently “active.” According to documents Tambora provided to the Division, Tambora was organized for the purpose of purchasing existing insurance companies.

² “Going Public” is when a private company first offers its shares to the public. See John Downes and Jordan Elliot Goodman, *Dictionary of Finance and Investment Terms* 240 (Fifth Edition) (1998).

14. In late November 2004, D. A. decided against purchasing the Tambora stock, and contacted Hull to ask for a refund. Hull told D. A. a refund was not possible.
15. D. A. then told Hull to put the stock certificate in D. A.'s name rather than the Church's name.
16. On or about December 24, 2004, D. A. received his stock certificate representing 10,000 shares of Tambora.
17. On July 29, 2005, as president and CEO of Tambora, Hull issued a letter to shareholders stating that the board of directors had "voted to remain a private company and not become public."

Misrepresentations and Omissions

18. In connection with the offer and sale of a security to the investor, David Franklin Hull, Jr. made at least one false statement, including, but not limited to, the following:
 - a. That when Tambora went public, D. A.'s investment would triple in value, when, in fact, Hull had no reasonable basis on which to make this representation.
19. In connection with the offer and sale of a security to the investor, David Franklin Hull, Jr. failed to disclose one piece of material information, including, but not limited to, the following, which was necessary in order to make representation made not misleading:
 - a. That beginning in March 2004, Hull had been fraudulently misusing the Church's credit card, subjecting himself to potential civil and/or criminal actions.

III. CONCLUSIONS OF LAW

20. The service of the OSC and the Notice initiating these proceedings is valid upon David Franklin Hull, Jr.
21. Because David Franklin Hull, Jr. did not file an answer or written response he is in default.
22. The stock offered and sold by David Franklin Hull, Jr. is a security under the Utah Uniform Securities Act (the Act).
23. In connection with the offer and sale of a security, David Franklin Hull, Jr. made at least one untrue statement of material fact to Investor.
24. By this conduct, David Franklin Hull, Jr. wilfully violated § 61-1-1 of the Act.
25. In connection with the offer and sale of a security, David Franklin Hull, Jr. omitted to state to investor at least one piece of material information that was necessary to make statements made not misleading.
26. By this conduct, David Franklin Hull, Jr. wilfully violated § 61-1-1 of the Act.

IV. ORDER

Based on the above, the Director hereby:

1. Declares David Franklin Hull, Jr. in default for failing to respond to the OSC and Notice issued November 6, 2006.
2. Enters, as its own findings, the Finding of Fact described in Section II above.
3. Enters, as its own conclusions, the Conclusions of Law describe in Section III above.

4. Finds that David Franklin Hull, Jr. wilfully violated the Utah Uniform Securities Act by:
 - a. Making a material misrepresentation in connection with the offer and sale of securities in Utah in violation of § 61-1-1; and
 - b. Omitting to disclose a material piece of information in connection with the offer and sale of securities in Utah in violation of § 61-1-1.
5. Orders David Franklin Hull, Jr. to permanently CEASE and DESIST from any violations of the Act.
6. Orders David Franklin Hull, Jr. to pay a fine of ten thousand dollars (\$10,000) to the Division, by Monday, April 30, 2007.

DATED this 1st day of ~~January~~ ^{February}, 2007.


WAYNE KLEIN
Director, Division of Securities



Pursuant to § 63-46b-11(3), Respondent may seek to set aside the Default Order entered in this proceeding by filing such a request with the Division consistent with the procedures outlined in the Utah Rules of Civil Procedure.

CERTIFICATE OF MAILING

I hereby certify that on the 2nd day of February 2007, I mailed, by certified mail, a true and correct copy of the forgoing **Affidavit of Service and Non-Response, and Notice of Entry of Default and Order** to:

David Franklin Hull Jr
344 West Hale Street #103
Boise ID 83706

CERTIFIED MAIL: 7005 1820 0003 7190 3860



Executive Secretary

