

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone 801-530-6600

BEFORE THE DIVISION OF SECURITIES

OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

IN THE MATTER OF:

ADAM J. ROBISON; CRD #4552999
ROBISON HOLDINGS, INC;
MARK E. BARRICK

Respondents.

**STIPULATION AND CONSENT
ORDER**

Docket No. SD-08-0048
Docket No. SD-08-0049
Docket No. SD-08-0050

The Utah Division of Securities (“Division”), by and through its Compliance Section, and Mark E. Barrick, represented by Tom D. Branch, hereby stipulate and agree as follows:

1. Mark E. Barrick (“Barrick”) has been the subject of an investigation by the Division into allegations that he violated the Utah Uniform Securities Act (“Act”), Utah Code Ann. §61-1-1, *et seq.*
2. On April 16, 2008, the Division filed an Order to Show Cause against Barrick and Adam J. Robison and Robison Holdings, Inc. (“Robison”). The action against Robison is currently pending.
3. Barrick has agreed with the Division to settle this matter by way of this Stipulation and Consent Order (“Order”). If entered, the Order will fully resolve all claims the Division has against Barrick pertaining to the April 16, 2008 Order to Show Cause.
4. Barrick admits the jurisdiction of the Division over him and over the subject matter of this action.

5. Barrick waives any right to a hearing to challenge the Division's evidence and present evidence on his behalf.
6. Barrick has read the Order, understands its contents, and submits to this Order voluntarily. No promises or other agreements have been made by the Division, nor by any representative of the Division, to induce Barrick to enter into this Order, other than as described in this Order.
7. Barrick is represented by Tom D. Branch, and is satisfied with his advice, counsel and representation.

I. FINDINGS OF FACT

8. From 2002 to 2006, Adam J. Robison ("Robison") was licensed in Utah as a broker-dealer agent and investment adviser representative of several broker-dealer and investment advisory firms. He is not currently licensed in the securities industry in any capacity.
9. Robison has taken and passed the Series 7, General Securities Representative Licensing Examination, the Series 63, Uniform Securities Agent State Law Examination, and the Series 66 Uniform Combined State Law Examination.
10. Robison Holdings, Inc. ("RHI") is a Utah corporation formed by Robison on July 16, 2007, with its place of business in Salt Lake County, Utah. Robison is the sole shareholder.
11. Barrick has never been licensed or otherwise employed in the securities industry.

Solicitation of Investors

12. Beginning in approximately May 2007, Robison solicited funds from family, friends, and insurance clients for investment in what he described as a private equity fund. Robison

told investors the fund would offer a variety of investment strategies ranging from conservative to aggressive.

13. Robison, who is an insurance agent, also attempted to recruit other insurance agents to sell interests in the fund.

14. An "Executive Summary" was created for potential investors and described RHI as a "Berkshire-Hathaway type company" which allowed investors to choose among a number of different portfolios, each comprised of a particular type of security, including CDs, bonds, indexed securities, mutual funds, stocks, or a combination of securities. In addition, the Summary stated:

Because Robison Holdings also purchases options on stocks, it is profitable even if stocks are dropping in value. Hence, Robison Holdings' profitability is not dependent upon market fluctuations or swings, but rather capitalizes on these events and makes them extremely profitable no matter which direction the swings occur.

15. The Executive Summary also claimed that RHI:

has eliminated a costly middleman, namely the funds company, e.g. Fidelity, Merrill Lynch, Goldman Sachs, Lord Abbott, American Funds, etc. By eliminating these "middlemen" who currently charge between .5% and 15.5% in the form of 12b-1 and marketing fees, it automatically and immediately increase [sic] the net annual returns to its clients by .5% and 15.5% per year.

16. Between August and November 2007, Robison raised at least \$4,069,224¹ from 24 investors located in Utah, Maryland, and Michigan. Much of the money raised came from retirement accounts, including IRAs, 401(k) plans and profit-sharing plans.

17. Investor monies were deposited into a checking account controlled by Robison and then pooled into one on-line trading account that Robison maintained at TD Ameritrade (hereafter, the "account" or "fund") under the name Robison Holdings.

¹Based upon information provided by Robison to the Division, a discrepancy exists as to whether the amount raised was actually \$4,300,000.

18. One investor was told by Robison that his money would be invested in the same manner the investor's money had been previously held with a mutual fund company, and that Robison would simply be acting as the broker for the account. Robison also told the investor his fee would be only 1%.
19. Based on Robison's representations, another investor believed his monies would be placed in a personalized portfolio separate from other investors' monies. He was not told his monies were pooled with those of other investors.
20. A third investor was told by Robison that her money would be invested in an FDIC-insured CD earning 8%. Robison explained that he was able to obtain this high interest rate because of the large amount of money in his custody for investment.
21. Retirement monies were not segregated or placed into separate accounts qualified to hold retirement monies. As a result, those investors will incur tax consequences for the non-qualified distributions that occurred from their tax-deferred accounts.
22. Robison withheld 10% of investor monies, approximately \$400,000, deeming half of that amount a commission for himself, and the other half to be used for office and administrative expenses. Robison used the withheld monies for personal items, including down payments on a Porsche and a condominium in Park City, Utah.
23. Robison placed approximately \$3.1 million in the account. The remaining monies, totaling approximately \$560,000 were not invested on behalf of investors and were retained in checking and savings accounts under Robison's direction and control.
24. Robison shared access to the TD Ameritrade account with Barrick, whose regular employment is as a copier salesman. Barrick advised Robison about specific trades and trading strategies, and placed trades in the account.

25. Barrick's purported investment expertise came from 16 years of trading in his own personal account(s).

26. On November 21, 2007, Barrick received a \$5,000 check from RHI for his services.

Division Investigation

27. In November 2007, the Division was contacted by individuals who received copies of the Executive Summary and other materials used for solicitation by Robison.

28. On November 8, 2007, the Division sent a letter to Robison requesting information about the fund.

29. Robison thereafter voluntarily met with the Division and provided a partial response to the Division's requests. Some information requested by the Division has never been provided.

30. In discussions with the Division which followed in November and December 2007, Robison, through his previous counsel, agreed to wind down the fund in a manner directed to protect investors' capital. He acknowledged at that time the fund had sustained losses.

31. Based upon documents provided by Robison to the Division, by the end of 2007 the fund had a net loss of \$325,516, or 7.57%.

32. Those losses were later compounded significantly because in January 2008, Robison and Barrick employed a highly risky strategy to make up for earlier losses and borrowed money on margin for additional investments. As a result, an additional \$1.6 million in losses were sustained – resulting in the account being worth less than half the amount originally invested several months earlier. Now, all the invested money has been lost.

33. Barrick represents that the information he has provided to the Division as part of the Division's investigation of this matter is accurate and complete.

II. CONCLUSIONS OF LAW

34. The interests in the RHI fund created by Robison and RHI are securities under the Utah Uniform Securities Act.

35. Barrick transacted business as an investment adviser representative while not licensed, in violation of Section 61-1-3(3)(a) of the Act.

III. FINAL RESOLUTION

36. Barrick neither admits nor denies the Division's findings and conclusions, but consents to the sanctions listed below being imposed by the Division.

37. Barrick will, within 30 days after the entry of this Order, disgorge to the Division the \$5,000 he received from Robison in this matter, and the Division will return that money to the investors.

38. Barrick will pay a \$4,000 fine to the Division within 60 days of the entry of the Order.

39. Barrick is barred from associating with any broker-dealer or investment adviser licensed in this State, and from acting as an agent for any issuer soliciting investor funds in this State.

40. Barrick agrees to the imposition of a cease and desist order, prohibiting him from any conduct that violates the Act including soliciting money from investors, forming investment funds, and advising others about the purchase or sale of securities.

41. Barrick acknowledges that this Order, upon approval by the Division Director and Securities Advisory Board shall be the final compromise and settlement of this matter.

Barrick further acknowledges that if the Division Director and Securities Advisory Board

do not accept the terms of the Order, it shall be deemed null and void and without any force or effect whatsoever.

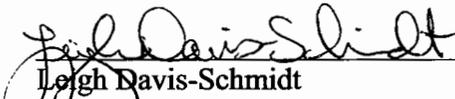
42. Barrick acknowledges that the Order does not affect any civil or arbitration causes of action that third-parties may have against him arising in whole or in part from his actions, and that the Order does not affect any criminal causes of action that may arise as a result of his conduct referenced herein.

43. This Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Order in any way.

Utah Division of Securities

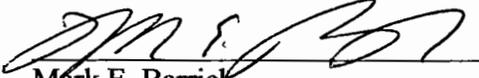
Dated this 2nd day of ~~September~~^{OCTOBER}, 2008.

By:

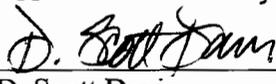

Leigh Davis-Schmidt
Director of Compliance

Mark E. Barrick

Dated this _____ day of September, 2008.


Mark E. Barrick

Approved:


D. Scott Davis
Assistant Attorney General

Approved:


Tom D. Branch
Attorney for Mark E. Barrick

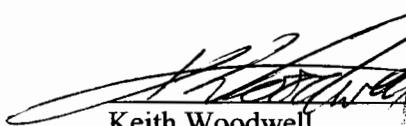
ORDER

IT IS HEREBY ORDERED THAT:

1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Barrick disgorge the monies he received, \$5,000, to the Division to be returned to the investors, within 30 days of the entry of this Order.
3. Barrick will pay a \$4000 fine to the Division within 60 days of the entry of this Order.
4. Barrick is barred from associating with any broker-dealer or investment adviser licensed in this State, and from acting as an agent for any issuer soliciting investor funds in this State.
5. Barrick shall cease and desist from violating the Utah Uniform Securities Act.

Respondents are specifically prohibited from soliciting money from investors, forming any investment funds, and advising others about the purchase or sale of securities.

DATED this 5th day of October, 2008.


Keith Woodwell
Director
Utah Division of Securities



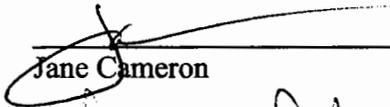
BY THE UTAH SECURITIES ADVISORY BOARD:

The foregoing Order is hereby accepted, confirmed and approved by the Utah Securities
Advisory Board.

DATED this 20th day of OCTOBER, 2008.



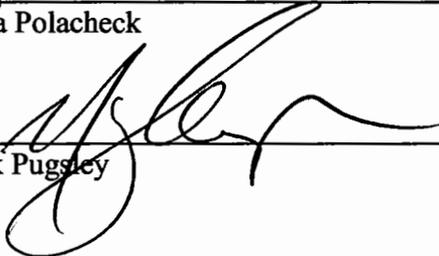
Tim Bangerter



Jane Cameron



Laura Polacheck



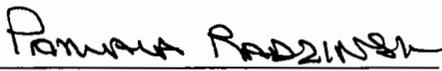
Mark Pugsley

Craig Skidmore

CERTIFICATE OF SERVICE

The undersigned certifies that on the 19th day of NOVEMBER, 2008, I mailed a true and correct copy of this Stipulation and Consent Order to:

Tom D. Branch, L.L.C.
1350 East Draper Parkway
Draper, Utah 84020
Attorney for Mark Barrick



Pamala Radzinski
Executive Secretary