

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:

CHRISTOPHER C. HARRIS

Respondent.

ORDER TO SHOW CAUSE

Docket No. SD-08-0054

It appears to the Director of the Utah Division of Securities (Director) that Christopher C. Harris has engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over the Respondent and the subject matter is appropriate because the Division alleges that he violated § 61-1-1 (securities fraud) of the Act while engaged in the offer and sale of a security in or from Utah.

STATEMENT OF FACTS

THE RESPONDENT

2. Christopher C. Harris (Harris) is a resident of Box Elder County, Utah.

GENERAL ALLEGATIONS

3. On December 3, 2005, Harris discussed an investment opportunity in oil sales with investor JC and JC's son, at a hotel in Park City, Utah. JC's son was employed by Harris in December 2005 and introduced JC to Harris.
4. Harris told JC the following regarding the investment opportunity:
 - a. Harris had a contract to provide 450 million barrels of aviation fuel to the United States armed forces;
 - b. Harris had "oil deals" with the armed forces and he would make \$1.00 on every gallon sold, and investors would receive ½ % of what Harris received;
 - c. The "oil deal" would continue for a couple of years;
 - d. Investors would receive a check every month; and
 - e. Harris purchased oil from certain refineries.
5. On the same day as the meeting, JC invested \$10,000 with Harris via personal check made payable to Harris. JC obtained the investment funds from an equity loan against his home.
6. On December 9, 2005, Harris went to JC's bank and cashed the \$10,000 check.
7. In August or September 2006, after receiving no payments, JC telephoned Harris and

asked for his money back.

8. Harris told JC about more “oil deals” and oil transactions Harris was working on.
9. Harris also told JC that Harris had a document he wanted JC to sign. Harris said the document stated that Harris had done nothing wrong, Harris had treated JC fair, and that JC was happy with the investment.
10. JC told Harris he was not willing to sign the document.
11. In January 2008, JC telephoned Harris again to request the return of his money.
12. Harris told JC that Harris had paid him back all but \$1,400 or \$1,600 that he owed, via wages paid to JC’s son.
13. JC told Harris he did not invest with Harris so Harris could pay JC’s son’s back wages.
14. As of today’s date, JC has received no return of principal or interest from his investment with Harris. Harris still owes JC \$10,000 in principal alone.

CAUSES OF ACTION

COUNT I

Securities Fraud under § 61-1-1 of the Act

15. The Division incorporates and re-alleges paragraphs 1 through 14.
16. The investment opportunity offered and sold by Harris to JC, is an investment contract, and therefore a security under § 61-1-13 of the Act. An investment contract includes,

any investment in a common enterprise with the expectation of profit to be derived through the essential managerial efforts of someone other than the investor; or . . . any investment by which . . . an offeree furnishes initial value to an offerer; . . . a portion of

this initial value is subjected to the risks of the enterprise; . . . the furnishing of the initial value is induced by the offerer's promises or representations which give rise to a reasonable understanding that a valuable benefit of some kind over and above the initial value will accrue to the offeree as a result of the operation of the enterprise; and . . . the offeree does not receive the right to exercise practical or actual control over the managerial decisions of the enterprise.

UTAH ADMIN. CODE R164-13-1(B)(1)(a) and 1(b).

17. In connection with the offer and sale of a security, Harris made false statements, including, but not limited to, the following:
 - a. Harris had a contract to provide 450 million barrels of aviation fuel to the armed forces;
 - b. Harris had "oil deals" with the armed forces and he would make \$1.00 on every gallon sold, and investors would receive ½ % of what Harris received;
 - c. The "oil deal" would continue for a couple of years;
 - d. Investors would receive a check every month; and
 - e. Harris purchased oil from certain refineries.

18. In connection with the offer and sale of a security, Harris failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:
 - a. Harris had filed for bankruptcy six times;
 - b. Harris had outstanding civil judgments against him of \$2,959;
 - c. Whether Harris was licensed to sell securities; and

- d. Whether the investment opportunity was a registered security or exempt from registration.
19. Based upon the foregoing, Christopher C. Harris violated § 61-1-1 of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders the Respondent to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur on Tuesday, June 3rd, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If the Respondent fails to file an answer and appear at the hearing, the Division of Securities may hold Respondent in default, and a fine may be imposed in accordance with Utah Code Ann. § 63-46b-11. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10.

At the hearing, the Respondent may show cause, if any he has:

- a. Why Christopher C. Harris should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;
- b. Why Christopher C. Harris should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any

other section of the Act;

- c. Why Christopher C. Harris should not be ordered to pay a fine of twenty five thousand dollars (\$25,000) to the Division of Securities, which may be reduced by restitution paid to the victim.

DATED this 9th day of May, 2008.



THAD LEVAR
Acting Director, Utah Division of Securities



Approved:



JEFF BUCKNER
Assistant Attorney General

J. S.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
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**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

CHRISTOPHER C. HARRIS

Respondent.

NOTICE OF AGENCY ACTION

Docket No. SD-08-0054

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENT:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of the mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46b-3 and 63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the mailing date of this notice, you are required to file an Answer with the Division. The Answer must include the information required by Utah Code § 63-46b-6 (1). In addition, you are required by § 63-46b-6 (3) to state: a) by paragraph, whether

you admit or deny each allegation contained in the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission; b) any additional facts or documents which you assert are relevant in light of the allegations made; and c) any affirmative defenses (including exemptions or exceptions contained within the Utah Uniform Securities Act) which you assert are applicable. To the extent that factual allegations or allegations of violations contained in the Order to Show Cause are not disputed in your Answer, they will be deemed admitted.

Your Answer, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Pam Radzinski
Division of Securities
160 E. 300 S., Second Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

Jeff Buckner
Assistant Attorney General
160 E. 300 S., Fifth Floor
Box 140872
Salt Lake City, UT 84114-0872
(801) 366-0310

A hearing date has been set for Tuesday, June 3rd, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah.

If you fail to file an Answer, as set forth herein, or fail to appear at the hearing, the Division of Securities may hold you in default, and a fine and other sanctions may be imposed

against you in accordance with Utah Code Ann. § 63-46b-11, without the necessity of providing you with any further notice. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, you may appear and be heard and present evidence on your behalf. You may be represented by counsel during these proceedings.

The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648. Pursuant to U.C.A. Subsection 63-46b-2(1)(h), Mr. Eklund is hereby designated as presiding officer for the purpose of conducting this formal administrative proceeding. Questions regarding the Order to Show Cause and Notice of Agency Action should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

DATED this 9th day of May, 2008.


THAD LEVAR
Acting Director, Division of Securities
Utah Department of Commerce



Certificate of Mailing

I certify that on the 8TH day of MAY, 2008, I mailed, via certified and regular mail, a true and correct copy of the Order to Show Cause and Notice of Agency Action to:

Christopher C. Harris
100 N. 400 E. #1
Garland, UT 84312

Certified Mail # 7004116000301960051

Pam RADENSKA
Executive Secretary