

Division of Securities
Utah Department of Commerce
160 East 300 South
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.

**STIPULATION AND CONSENT
ORDER**

Docket No. SD-18-0054

The Utah Division of Securities (the Division), by and through its Director of Enforcement, Michael Hines, and Christopher C. Harris hereby stipulate and agree as follows:

1. Christopher C. Harris was the subject of an investigation conducted by the Division into allegations that they violated certain provisions of the Utah Uniform Securities Act (the Act), Utah Code Ann. § 61-1-1, *et seq.*, as amended.

2. In connection with that investigation, the Division issued an Order to Show Cause to Respondent on May 06, 2008, alleging securities fraud and fraudulent practices. Criminal charges were also filed in connection with the investigation.¹
3. Respondent filed a response to the Order to Show cause, but the parties have now agreed to resolve this matter by way of a stipulation and consent order.
4. Respondent is represented by Attorney David Reeve in this matter and is satisfied with the representation he has received.
5. Respondent has read the stipulation and consent order, understands its contents and enters into this Stipulation voluntarily. No promises or threats have been made by the Division, nor by any member, officer, agent, or representative of the Division, to induce Respondent to enter into this Stipulation.
6. Respondent waives any right to a hearing to challenge the Division's evidence and present evidence on their behalf.
7. Respondent acknowledges that this agreement does not affect any enforcement action that might be brought by a criminal prosecutor or any other local, state, or federal enforcement authority.

¹*State of Utah v. Christopher C. Harris*, Case No. 081100224, First Judicial District Court of Utah (2008). Harris later pleaded guilty to attempted securities fraud, a class A misdemeanor, on March 3, 2009.

8. Respondent admits the jurisdiction of the Division over him and over the subject matter of this action.

I. THE DIVISION'S FINDINGS OF FACT

THE RESPONDENT

9. Christopher C. Harris (Harris) was, at all times relevant, a resident of Box Elder County, Utah.

GENERAL ALLEGATIONS

10. 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.
11. 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.

12. 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.
13. On December 9, 2005, Harris went to JC's bank and cashed the \$10,000 check.
14. In August or September 2006, after receiving no payments, JC telephoned Harris and asked for his money back.
15. Harris told JC about more "oil deals" and oil transactions Harris was working on.
16. 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.
17. JC told Harris he was not willing to sign the document.
18. In January 2008, JC telephoned Harris again to request the return of his money.
19. 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.
20. JC told Harris he did not invest with Harris so Harris could pay JC's son's back wages.

MATERIAL MISREPRESENTATIONS AND OMISSIONS

21. In connection with the offer and sale of a security, Respondents, directly or indirectly, 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.
22. In connection with the offer and sale of a security, Respondents, directly or indirectly, 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.

II. THE DIVISION’S CONCLUSIONS OF LAW

23. Based on the Division’s investigative findings, the Division concludes that:
- a. The investment opportunities offered and sold by Respondent are securities under § 61-1-13 of the Act;

- b. Respondent violated § 61-1-1 of the Act by making misrepresentations of material facts and by omitting to state material facts in connection with the offer and sale of a security.

III. REMEDIAL ACTIONS/SANCTIONS

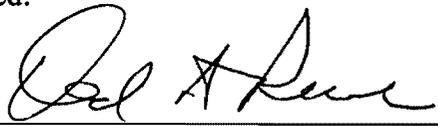
24. Respondent admits the Division's findings and conclusions and consents to the sanctions below being imposed by the Division.
25. Respondent represents that any information they provided to the Division as part of the Division's investigation of this matter is accurate.
26. Respondent agrees to the imposition of a cease and desist order and a fine, prohibiting them from any conduct that violates the Act.
27. Pursuant to Utah Code Ann. § 61-1-6(1)(d) and in consideration of the guidelines set forth in Utah Admin. Code Rule R164-31-1, the Division imposes a fine of \$25,000 against Christopher C. Harris. The fine will be waived on condition that Harris commits no violation of the Act within thirty-six months from the entry of this order.
28. If Respondent materially violates any of the terms of the Order, after notice and opportunity to be heard before an administrative officer, the entire fine shall become immediately due.
29. Respondent agrees to cooperate with the Division, the State of Utah, and the Federal Government in any future investigations and/or prosecutions relevant to the matter herein.

IV. FINAL RESOLUTION

30. Respondent acknowledges that this Order, upon approval by the Securities Commission shall be the final compromise and settlement of this matter.
31. Respondent further acknowledges that if the Securities Commission does not accept the terms of the Order, it shall be deemed null and void and without any force or effect whatsoever.
32. Respondent acknowledges that the Order does not affect any civil or arbitration causes of action that third-parties may have against them arising in whole or in part from their actions, and that the Order does not affect any criminal causes of action that may arise as a result of their conduct referenced herein.
33. The Stipulation and Consent Order constitute 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 the Order in any way.

By: 

Christopher C. Harris

Approved: 

David A. Reeve
Respondents Attorney

12. The Stipulation and Consent Order constitute 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 the Order in any way.

Utah Division of Securities

Date: _____

By: _____
Michael Hines
Director of Enforcement

Approved:

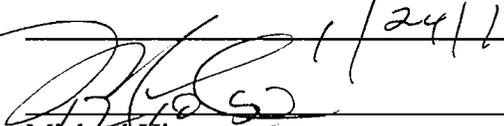
Jeff Buckner
Assistant Attorney General

Respondent Harris

Date: 1/18/2011

Utah Division of Securities

Date: 1/24/11

By: 
Michael Hines
Director of Enforcement

Approved:


Jeff Buckner
Assistant Attorney General

Respondent Harris

Date: _____

By: _____
Christopher C. Harris

Approved:


David A. Reeve
Respondents Attorney

ORDER

IT IS HEREBY ORDERED THAT:

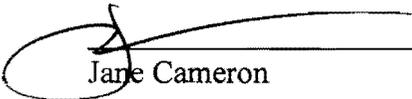
1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Respondent ceases and desists from violating the Utah Uniform Securities Act.
3. Division imposes a fine of \$25,000 on Christopher C. Harris.
4. All fines shall be held in abeyance for thirty-six months.
5. If Respondent materially violates any of the terms of this Order the full fine amounts shall be imposed against the Respondent and become due immediately.
6. Respondent cooperates with the Division in any future investigations.

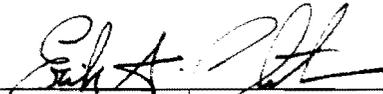
BY THE UTAH SECURITIES COMMISSION:

DATED this 17th day of March, 2010. ⁽¹⁾



Tim Bangerter



Jane Cameron

Erik Christiansen

Laura Polacheck

Laura Polacheck

Michael O'Brien

Michael O'Brien

Certificate of Mailing

I certify that on the 24 day of March, 2010, I mailed, by certified mail, a true and correct copy of the Stipulation and Consent Order to:

David A. Reeve
Attorney-at-Law
c/o Christopher C. Harris,
720 East Three Fountains Dr. #77
Murray, UT 84107

Certified Mailing # 7008 1140 0004 1142 2209


Secretary