DIVISION OF SECURITIES
KEITH WOODWELL, DIRECTOR
DEPARTMENT OF COMMERCE
P.O. BOX 146741
160 EAST 300 SOUTH
SALT LAKE CITY, UTAH 84114-6711
Telephone: (801) 530-6628

BEFORE THE DIVISION OF SECURITIES

OF THE DEPARTMENT OF COMMERCE

OF THE STATE OF UTAH

IN THE MATTER OF	**RECOMMENDED ORDER ON MOTION FOR DEFAULT**
BLUE SOVEREIGN, LLC; **CARTLAN, LLC;** **BRETT JASON COBB,**	**CASE NO.** SD-08-0080 **CASE NO.** SD-08-0081 **CASE NO.** SD-08-0082
RESPONDENTS	

BY THE PRESIDING OFFICER:

This adjudicative proceeding was initiated pursuant to an August 13, 2008 notice of agency action. In approximately September of 2008, the cases were stayed pending the outcome of a parallel criminal case filed against Respondent Cobb. On June 3, 2013, the criminal case having been resolved through conviction, the stay was lifted, and Respondents were ordered to file a response to the Division's order to show cause by July 8, 2013. The order specified that a failure to comply with the deadline for response would result in the entry of a default order against Respondents without any further notice.

As of the date of this order, Respondents have not filed a response to the Division's order to show cause or made any effort to participate in the proceeding. Therefore, the presiding officer finds that, pursuant to Utah Code Ann. § 63G-4-209(1)(c), proper factual and legal bases exist for entering a default order against Respondents.

RECOMMENDED ORDER

Based on the foregoing, the presiding officer recommends that the Utah Securities Commission accept the allegations outlined in the Division's order to show cause as being true, to wit:

1. That the investment opportunities offered and sold by Respondents are securities under Utah Code Ann. § 61-1-13(1)(ee)(i);
2. That in connection with the offer and sale of securities, and in violation of Utah Code Ann. § 61-1-1(2), Respondents directly or indirectly made false statements to investors;
3. That in connection with the offer and sale of securities, and in violation of Utah Code Ann. § 61-1-1(2), Respondents directly or indirectly failed to disclose material information that was necessary in order to make representations made not misleading; and
4. That Respondents' actions, which constitute one or more violations of Utah Code Ann. § 61-1 et seq, are grounds for sanction under the Act.

The presiding officer further recommends that the Utah Securities Commission enter a default order against Respondents, requiring them:

1. To cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1 et seq; and

2. To pay a fine of $791,593.75 to the Utah Division of Securities.

Finally, the presiding officer recommends that, upon entering the default order, the Utah Securities Commission dismiss any further proceedings in this case.

This recommended order shall be effective on the signature date below.

DATED this 9th day of July, 2013.

UTAH DEPARTMENT OF COMMERCE

Jennie T. Jonsson
Presiding Officer

CERTIFICATE OF DELIVERY

I hereby certify that on the 9th day of July, 2013, the undersigned hand delivered a true and correct copy of the foregoing RECOMMENDED ORDER ON MOTION FOR DEFAULT to the following:

Utah Securities Commission
c/o Keith Woodwell, Director, Utah Division of Securities
Heber M. Wells Building, 2nd Floor
Salt Lake City, UT

DIVISION OF SECURITIES
KEITH WOODWELL, DIRECTOR
DEPARTMENT OF COMMERCE
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BY THE UTAH SECURITIES COMMISSION:

The presiding officer's July 9, 2013 recommended order on motion for default in this matter is hereby approved, confirmed, accepted, and entered by the Utah Securities Commission.

ORDER

Respondents are hereby ordered cease and desist from engaging in any further conduct in violation of Utah Code § 61-1 et seq.

Respondents are hereby ordered to pay a fine of $791,593.75 to the Utah Division of Securities.

All further proceedings in this case are dismissed. This dismissal does not relieve Respondent from complying with the terms of the default order.

This order shall be effective on the signature date below.

DATED this 14 day of August, 2013

UTAH SECURITIES COMMISSION:

Tim Bangerter

Erik Anthony Christiansen

Brent Baker

Gary Cornia

David Russon

NOTICE OF RIGHT TO ADMINISTRATIVE REVIEW

Agency review of this order may be obtained by filing a request for agency review with the Executive Director of the Department of Commerce, 160 East 300 South, Box 146701, Salt lake City, Utah 84114-6701, within thirty (30) days after the date of this order. A motion to set aside the order may also be filed with the presiding officer. The agency action in this case was a formal proceeding. The laws and rules governing agency review of this proceeding are found in Section 63G-4-101 et seq. of the Utah Code, and Rule 151-4 of the Utah Administrative Code.

CERTIFICATE OF SERVICE

I hereby certify that on the 14th day of August, 2013 the undersigned served a true and correct copy of the foregoing ORDER ON MOTION FOR DEFAULT by mailing a copy through first-class mail, postage prepaid, to:

and caused a copy to be hand delivered to:

Paul Amann, Assistant Attorney General
Office of the Attorney General of Utah
Fifth Floor, Heber M. Wells Building
Salt Lake City, Utah

Utah Division of Securities
Attn.: Ann Skaggs
Second Floor, Heber M. Wells Building
Salt Lake City, Utah